Daily Report

Latin America

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CONTENTS

CARIBBEAN

Cuba

MINREX Issues Note on U.S. Attack in Gulf 1
Isodoro Malmierca Meets Ecuadoran Official 1
Iran's Velayati Meets With Malmierca, Melendez 1
Expansion of Ties Discussed *[Tehran]* 1
Solidarity With Iran Expressed *[Tehran]* 1
National Energy Forum Begins in Havana 2

OTHER COUNTRIES

Haiti

CEP Asks Government for Police Protection 2

Jamaica

PNP To File Integrity Reports 3

Trinidad and Tobago

Police To Be Retrained in Firearms Use 3

MEXICO

Mexican Stock Exchange Drops'52,000 Points' 5
Spain's Felipe Gonzalez To Arrive 5 November 5
Moya Palencia Comments on Foreign Policy 5
Pilots Call Off Contract Talks With U.S. *[EL NACIONAL 14 Oct]* 5
Electronic Data Transmission Service Created *[EL NACIONAL 11 Oct]* 5
BRIEFS 6
PST Proposes Namechange 6
New PRI Officials Announced 6
Credit Agreement With Guatemala 6
Sidermex Reports 8-Month Sales 6

CENTRAL AMERICA

Costa Rica

Arias Comments on C.A. Peace Process *[REUTER]* 7
On Nicaragua, Esquipulas Obstacle 9
Arias Calls for Dialogue With Opposition 9

El Salvador

Zamora, Handal Comment on Government Talks 10
FDR's Zamora Interview *[Venceremos]* 10
FMLN's Handal Interview, Part 1 *[Venceremos]* 12
Handal, Part 2 *[Venceremos]* 14

Guatemala

URNG: Government Violating Madrid Agreements *[ACAN]* 15

Honduras

FPR Outlines 'Minimum Government Platform' *[EL HERALDO 17 Oct]* 16
Police Discover Safe House, Seize Weapons 17

Nicaragua

Heavy Government-Contra Clashes Reported 17
MI-17 Downed 17
91 Contras Killed 18
Contras Report EPS Casualties *[DPA]* 18
Security Tightened at Border Checkpoint 18
Contras Apply for Amnesty Under Esquipulas 19

Panama

Opposition Vows To 'Paralyze' Nation *[DPA]* 19
Cabinet Council Bans Rallies 19
U.S. Canal Payments, Law 96-70 'Not Fair' *[MATUTINO 19 Oct]* 20

SOUTH AMERICA

Argentina

Soviet Trade Officials Arrive for Meetings 21
CNEA Note Denies Contamination Risks 21
Disagreements Cause CGT Members To Resign 21
CGT 'Internal Crisis' 21

Brazil

CNEN Official on Goiania Nuclear Accident, Dump 22
President Sarney Postpones Cabinet Reform 22
Sarney Thanks PMDB 22
Finance Ministry Issues Communique on Moratorium 23
Bresser on Moratorium 23
Army Minister on 6-Day Visit to Saudi Arabia 23
PMDB Pressures Governor To Take Leave *[O GLOBO 15 Oct]* 23

Chile

FPMR Communique Says Colonel in Good Condition *[EFE]* 23
Debt Negotiations Formalized With Paris Club 24
Courts Order Police Protection for Bustos 24
Social Democratic Party President Resigns *[EL MERCURIO 6 Oct]* 25

Colombia

Car Bomb Explodes in Ministry Parking Lot *[EFE]* 25
New Rebel Group Claims Credit 25

Paraguay

Romeo Acosta Scores IDB, World Bank Meetings *[HOY 15 Oct]* 25
CNEA Note States 'No Danger of Contamination' *[HOY 16 Oct]* 25
PLRA Declares Abstention From 1988 Elections *[HOY 18 Oct]* 26

Peru

Foreign Minister Views International Issues *[COSAS 1 Oct]* 26
Commentator on Violence in Takeover of Banks 27
Government Begins Expropriation Process 27

Cuba

MINREX Issues Note on U.S. Attack in Gulf

FL200136 Havana Television Service in Spanish 0100 GMT 20 Oct 87

[Text] The Cuban Foreign Ministry [MINREX] issued a declaration this afternoon on the attack carried out by U.S. naval units against two Iranian oil-drilling platforms in the Persian Gulf.

The MINREX declaration says that this new aggression is an escalation and extension of the painful conflict that Iran and Iraq have now confronted for more than 7 years and it aggravates the existing tension in that region because the increased presence of U.S. military forces and their NATO allies have made it more difficult to find a peaceful and just solution to the conflict.

At precisely the time when the UN secretary general—on an order from the UN Security Council—is making new efforts to end the Iraq-Iran war, the United States is carrying out new military aggressions against a nonaligned country.

The MINREX statement issued this afternoon on the attack perpetrated by U.S. naval units against Iranian oil-drilling platforms adds that this unspeakable aggression is another demonstration of the U.S. Government's scorn for international laws and public opinion, especially that of the peoples of the Third World. In conclusion, the MINREX document states: We reiterate our position that the Iran-Iraq war should end. We denounce the attempts of the U.S. Government and its allies to perpetuate their military presence in the region, which is a threat to the security and independence of the coastal states; and we condemn the new imperialist aggression against the Islamic Republic of Iran, a member state of the Nonaligned Movement.

Isodoro Malmierca Meets Ecuadoran Official

FL192208 Havana Radio Reloj Network in Spanish 2041 GMT 19 Oct 87

[Text] Isidoro Malmierca, Cuban foreign minister, met today in Havana with (Rocque Canada), deputy political secretary of the Ecuadoran Foreign Ministry, who is in Cuba on an official visit. Manuel Araujo Hidalgo, Ecuadoran ambassador to Cuba; and other officials also met with (Canada) to discuss bilateral relations.

During the meeting, Malmierca said that what has been achieved can be a basis for opening new areas of reciprocal cooperation and he expressed his satisfaction with these achievements. They also discussed important aspects of the international situation, especially in Central America and the Persian Gulf.

On this last subject, the Ecuadoran official expressed his concern with the repercussions that may arise from this conflict.

Iran's Velayati Meets With Malmierca, Melendez

Expansion of Ties Discussed

NC190616 Tehran Domestic Service in Persian 0430 GMT 19 Oct 87

[Text] Mr Velayati, our foreign minister, who is currently in Cuba at the head of a high-level political delegation, has begun a second round of talks with Cuban Foreign Minister Malmierca on the expansion of bilateral ties and current regional and international issues, including the Persian Gulf situation. During the meeting, the Cuban foreign minister expressed his satisfaction at the trend toward the expansion of relations between the two revolutionary countries of the Islamic Republic of Iran and Cuba. He said: We are ready for cooperation of every kind and the deepening of reciprocal ties, on the international level in particular. He referred to the domineering policy of the United States and said: U.S. imperialism has not spared any effort to crush revolutions in Central America, with the cooperation of its puppet governments. This is the typical characteristic of the imperialist United States.

Solidarity With Iran Expressed

NC200632 Tehran Domestic Service in Persian 0430 GMT 20 Oct 87

[Text] According to the Central News Unit, Mr Velayati, our foreign minister, who is currently in the Cuban capital Havana at the head of a political delegation, met with Mr Melendez, minister president of the State Commission for Economic Cooperation of Cuba, on Sunday night. During this meeting, Mr Melendez expressed solidarity with the Islamic Republic of Iran in its struggle against foreign forces in the Persian Gulf region and said: The U.S. Government's acts of instigation have been rejected by the international community and have been condemned.

Our foreign minister stressed the sensitivity of the situation in the Persian Gulf and the recent developments in the region and said: The Islamic Republic of Iran will combat U.S. intervention in a decisive manner and will continue its efforts for the defense of its interests and territorial integrity. At the meeting, the two countries discussed the broadening of bilateral economic and commercial ties. They also reviewed various other fields for the exchange of information and knowhow in major industries, including the petroleum and sugar industries.

It was decided at this meeting that Mr Melendez will pay an official visit to the Islamic Republic of Iran in the near future. He will discuss opportunities for economic, industrial, and commercial cooperation between the two countries with our country's officials.

National Energy Forum Begins in Havana

FL191940 Havana Radio Reloj Network in Spanish 1502 GMT 19 Oct 87

[Excerpts] The second national forum on energy has begun at the Palace of Conventions in Havana. This second national forum, aimed at creating a greater awareness, and drafting new ideas regarding the use of energy, will continue through 21 October and it is being attended by more than 600 Cuban delegates and European, Latin American, and OLADE representatives. During the 2-day meeting the delegates will hear, and debate, approximately 60 reports and hold round tables during which the subjects of rational use and conservation of fuel and lubricants, electricity, and the renewable source will be discussed. [passage omitted]

The morning session began with the presentation of the first reports on the rational use and conservation of fuel and lubricants and the use of sugarcane as an energy source. Other reports currently being discussed are the use of renewable sources in Cuba, enery conservation, and the use of secondary energy. Today's agenda calls for the hearing of 30 of the 60 reports to be studied by the more than 600 delegates present at the national forum. [passage omitted]

OTHER COUNTRIES

Haiti

CEP Asks Government for Police Protection

FL192352 Port-au-Prince Radio Soleil in Creole 1100 GMT 19 Oct 87

[Text] The Provisional Electoral Council [CEP] has written to the National Government Council [CNG]:

Mr President and gentlemen members of the CNG:

The CEP, an institution created by the Constitution of 1987 to organize and supervise the coming elections in Haiti, notes with great concern that anarchy and disorder have slowly been gaining a foothold in Haiti over the past few months and are now affecting even the most remote areas of the country.

The comment by the interior minister which appeared in a 15 September letter concerning the setting into motion of public action seems totally unjustifiable to us since the CEP has no research and investigation service at its disposal. Only a police force is in a position to discover and thwart actions endangering the peace and security of the citizenry and can identify and take action against agitators.

Also a well-organized order-keeping force can in no way constitute a danger to the CEP, it cannot be a threat to the independence of the CEP as regards electoral matters. Only by refusing to guarantee peace and order—its primary role—could the Haitian army contribute to disorganizing the elections.

We cannot help but notice that public peace is now in greater danger than before, ever since the tragic death occurred [not further identified]. Despite the fact that there are certain indications as to who the assassins are, they have as yet not been arrested. Even more serious is the assassination of Yves Volel, the presidential candidate killed very near the general headquarters of the Port-au-Prince police. This is an international scandal, which gives everyone the chills.

The CEP is surprised that the authorities have not as yet been able to catch the murderers of that defender of human rights.

The members of the CEP are threatened with death daily over diverse radio stations by a number of candidates whom everyone knows are from a sector which is quite openly fighting the Constitution. And those very candidates who threaten the members of the CEP receive generous police protection, says the CEP.

Therefore, we once again ask you, Mr President and members of the CNG, to issue instructions that all CEP offices throughout Haiti and their personnel receive proper protection from the order-keeping forces—the only institution responsible for the security of the citizenry—until all electoral operations are over.

We call your attention to the fact that the CEP offices on Rue Pavee, Chemin de Dalles, Delmas Road, and in Gonaives, have received a number of direct threats. We would be very pleased if you would ask the regional authorities to give us now, if possible, the names of the policemen and soldiers who will be assigned to support the CEP's surveillance brigades.

We would also like to emphasize, Mr President and members of the CNG, the importance of what we are asking on the holding of elections. We are certain that you will take into consideration the urgency of our request. We await your answer. Yours truly, signed for the CEP: President, Dr Ernst Mirville, Vice-president Pierre C. Labissiere, Secretary Alex Guerrier, Treasurer Reverend Alain Rocourt, and members Dr Charles Poisset Romain, Carlo Dupiton, Napoleon Eugene, Emmanuel Ambroise, and Philippe Jules.

Jamaica

PNP To File Integrity Reports

FL191450 Bridgetown CANA in English 2112 GMT 16 Oct 87

[Text] Kingston, Jamaica, Oct 16, CANA—The People's National Party (PNP) did an about turn on Friday when it announced that its former legislators will file integrity reports ahead of a general election. The PNP said it had asked for two months within which to file the declaration of assets.

Under the parliamentary integrity law, former parliamentarians must file their financial reports with the Integrity Commission for a year after leaving the legislature. But in a report publicised last month, several government members and the nine PNP members at the House of Representative up to 1983, including party leader Michael Manley, were named among those who had not filed reports for the year.

The PNP had refused to file the reports saying that they would help to legitimise a parliament which the party felt had no moral authority or political integrity.

The party boycotted the 1983 election. It was boycotted on the grounds that the government had used an old voters list that disfranchised 150,000 new voters and that the poll was held without the implementation of reforms agreed between the PNP and the ruling Jamaica Labour Party.

PNP Chairman P.J. Patterson said the party reversal did not take into account threats of prosecution and suggestions that the PNP members had acquired wealth since 1983. Having given further consideration to the need for a relentless fight against corruption, the PNP was determined to leave no one in doubt as to where it stands, Patterson said.

The integrity issue arose against the backdrop over a public debate over the propriety of Prime Minister Edward Seaga's private investment in a north coast tourist attraction while still in office. Seaga, who said he used no state assistance for his project, has established a committee to recommend a code for public officials involvement in private business.

The entire leadership of the party is united in the view that those who exercise positions of political influence must lead by force of example, Patterson said. This is more so at a time such as this when the nation is exposed to severe strain and exemplary discipline is required at all levels of the society, he added.

Trinidad and Tobago

Police To Be Retrained in Firearms Use

FL191456 Bridgetown CANA in English 1557 GMT 16 Oct 87

[Text] Port-of-Spain, Trinidad, Oct 16, CANA—Police officers in Trinidad and Tobago will be retrained in the use of firearms, following a spate of shootings of civilians by lawmen here, National Security Minister Senator Herbert Atwell announced on Thursday night.

Atwell described the present period as challenging times for the police service in Trinidad and Tobago, and urged complete public support and assistance to the service from the law-abiding public.

We have seen the emergence of violent crime with an unprecedented level of firearm use by criminals who are not reluctant to open fire on defenceless citizens, even the police...Atwell told a graduating class of 53 policemen.

There is no denying that the police are under considerable pressure to a degree that requires the wholehearted support and assistance of the law-abiding public, he added.

Atwell said he has already met with the attorney-general on the issue of police shootings, and said that the prompt opening of judicial inquests into these incidents show government's undoubted determination to avoid any form of cover-up.

Three such inquests are currently underway and a fourth is to begin shortly.

Police Commissioner Louis Rodiguez told the graduating class of officers to examine all criticisms of the service, but reject those that are unfair, however well publicised they may be.

Rodriguez, who assumed his post in June, reminded the officers that the work of a policeman was a thankless one, and urged them to go now and demonstrate to the public that you can be relied upon as upright members of an efficient service.

Seek not the glamour without due thought of what is just and right, he added.

The police service here has come under intense scrutiny and criticism recently following charges of corruption and favouritism in its ranks, and following the inclusion of more than 50 officers in a damaging report on narcotics activities in the country.

Former police commissioner, Randolph Burroughs, retired in a swirl of controversy after unsuccessful court action was brought against him for alleged involvement in the drugs trade.

Meanwhile, Atwell has agreed to meet the main police union, the police association second division on Friday to discuss ways of improving the services image. In a letter to the association, he assured them of his concern for a speedy solution to the problems affecting the service.

The association, representing officers below the rank of inspector, has cited some of the major problems as under-staffing, unsettled wages talks, lack of adequate equipment, and the need for improved disciplinary procedures.

Mexican Stock Exchange Drops'52,000 Points'

FL200046 Mexico City NOTIMEX in Spanish
2048 GMT 19 Oct 87

[Text] Mexico City, 19 Oct (NOTIMEX)—After several drops in its price index last week, preliminary reports indicate that the Mexican Stock Exchange today experienced its largest plunge, dropping 52,000 [as received] points. This drop in the price index represents a loss of 16.2 percent in comparison to Friday's action and could exceed $2 billion.

The financial sector will remember this as a dark day since the stock exchanges in New York, Tokyo, Paris, London, Frankfurt, Zurich, and Australia, as well as Mexico,also fell sharply.

Nevertheless, investors protected themselves from this fall by purchasing gold causing the price of this metal to increase throughout the world.

Spain's Felipe Gonzalez To Arrive 5 November

FL200056 Mexico City NOTIMEX in Spanish
2306 GMT 19 Oct 87

[Text] Mexico City, 19 Oct [NOTIMEX)—The Mexican Foreign Secretariat today officially confirmed that Spanish president Felipe Gonzalez will visit Mexico from 5-6 November in response to an invitation from Mexican President Miguel de la Madrid.

During his stay, Gonzalez will accompany his Mexican counterpart to Guanajuato to inaugurate the El Quijote Museum during the international Cervantes festival.

In making the announcement the Mexican Secretariat said that this is the second visit Gonzalez will make to Mexico demonstrating the excellent level of political, economic, and cultural relations that exist between the two countries.

Moya Palencia Comments on Foreign Policy

FL192130 Mexico City NOTIMEX in Spanish
2004 GMT 19 Oct 87

[Text] Mexico City, 19 Oct (NOTIMEX)—Mario Moya Palencia, Mexican permanent representative to the United Nations, has denied that there is a campaign under way abroad to discredit Mexico's foreign policy.

Before leaving for New York, Moya Palencia said that only the position of those who seek war in Central America has been discredited. He added that the Esquipulas peace agreement has established the basis for peace in the region within the framework of reconciliation and a process of democratization.

Likewise, Moya Palencia said that at the United Nations there is a very high regard for the political process in Mexico in view of the 1988 presidential elections.

Pilots Call Off Contract Talks With U.S.

PA181806 Mexico City EL NACIONAL in Spanish
14 Oct 87 p 12

[Unattributed report]

[Text] Mexico and the United States have broken off talks aimed at revising their bilateral aviation contract.

Francisco Moreno Mac Gregor, official spokesman for the Mexican Pilots Association, said their goal is to "avoid modifications to the contract and to study ways to use the contract to Mexico's benefit."

The sixth and final conversation before the negotiations were broken off took place in Mexico City. Both sides had met on several occasions in Washington, D.C.

The delegation representing the Pilots Association firmly rejected conditions that would be disadvantageous for the country.

In view of this situation, the organization expressed its concern, because if the agreement is not signed, the nation's interests in the field of aeronautics would be affected.

Meanwhile, Moreno Mac Gregor said: "For Mexico to compete with the United States in this field, Aeromexico and Mexicana would have to renovate their fleets. If they do not, they will be at a disadvantage in comparison to the airlines in the neighboring country and an important source of foreign exchange would be lost."

Electronic Data Transmission Service Created

PA181753 Mexico City EL NACIONAL in Spanish
11 Oct 87

[Article by Jose Alberto Barocio]

[Excerpts] The Public Network for the Transmission of Data [Red Publica de Transmision de Datos], Telepac, is aimed at meeting the country's demand for electronic data transmissions, permitting the interconnection of terminals and computers on the national and international level.

Engineer Mario Avendano Rodriguez of the Technical Support Unit for consumers of the General Telecommunications Directorate explained this during a lecture offered to state managers of this directorate.

Explaining the reasons for creating Telepac, Avendano Rodriguez mentioned that "the world's activities do not stop. It is in constant motion and this is what results in expansions and improvements."

In this way, he added, "new systems, techniques, and instruments are created within our changing times. The decentralization of enterprises was a process that resolved many administrative difficulties."

However, "communications problems appeared" as a result of this process. We then had to seek effective ways to handle and process the large quantity of documents and messages that had to be exchanged.

Soon, he noted, the data transmission techniques changed in such a way that the need to transmit data from a long distance was quickly filled. The problem later was how to process this information, he remarked.

The time arrived for Mexico to establish suitable data transmission systems that would overcome this problem. One of these systems is Telepac. [passage omitted]

The Telepac service is offered in 23 cities at the national level. This is the first installation phase. These cities are Acapulco, Aguascalientes, Cuernavaca, Chihuahua, Durango, Guadalajara, Hermosillo, Mazatlan, Merida, Mexicali, Mexico City, Monterrey, Coatzacoalcos, Leon, Oaxaca, Puebla, Queretaro, Saltillo, Tampico, Toluca, Torreon, Veracruz, and Villahermosa.

A second phase will extend this service to another 30 cities. The cities that are currently in operation "are run and monitored from a control center," Telepac's brain.

Mexico has connections with the following countries: the United States, Canada, France, the United Kingdom, Italy, Switzerland, and Austria. However, Avendano concluded, there is a great demand from other countries "and as soon as we establish international agreements, we will extend this service to different parts of the world." Telepac is a valuable tool in the data transmission world and in the development of that sector.

BRIEFS

PST Proposes Namechange

During yesterday's third plenary meeting of the Socialist Workers Party, PST, PST President Rafael Aguilar Talamantes proposed a special resolution to change the name of the organization to Cardenist Front for National Reconstruction (Frente Cardenista de Reconstruccion Nacional). The PST Central Committee also decided to invite Cuauhtemoc Cardenas Solorzano to be a presidential precandidate, and to hold a national electoral assembly on 22 November, during which they will ratify these proposals. PST President Aguilar Talamantes, who is also a PST precandidate, explained that these decisions have been made to prevent an electoral alliance with another party, so that the party appoints its own candidate for the presidential elections. Regarding the proposal to invite Cuauhtemoc Cardenas to join this organization, Aguilar Talamantes said he believes it is more convenient for Cuauhtemoc Cardenas and the Democratic Current to continue the struggle inside the PRI. *[Summary] [Mexico City EXCELSIOR in Spanish 5 Oct 87 p A 4 PA]*

New PRI Officials Announced

New changes were announced yesterday in the PRI's public relations sector. Miguel Angel Lopez Azuara became the new assistant secretary for press and information; Jose Alvarez Lima the assistant secretary for television and radio. Cuauhtemoc Lazcano is now in charge of support coordination; Enrique Rivas Ayala of the public relations directorate, and Hector Gonzalez Perez of the press directorate. *[Text] [Mexico City EL DIA in Spanish 9 Oct 87 p 3 PA]*

Credit Agreement With Guatemala

Mexico and Guatemala have signed an agreement establishing two credit lines for up to $10 million each. This agreement is the result of meetings between president Miguel de la Madrid and Vinicio Cerezo Arevalo. The funds will be used to support commercial transactions between the two countries. Finance Secretary Gustavo Petricioli, Bank of Guatemala Director Jose Federico Linares, and Foreign Trade Bank Director Alfredo Phillips Olmedo signed the agreement. *[Summary] [Mexico Xew Television Network in Spanish 1300 GMT 17 Oct 87 PA]*

Sidermex Reports 8-Month Sales

(NOTIMEX)—Sidermex [Mexican State Iron and Steel Enterprise] has reported the sale of 2,501,000 tons of finished steel products during the first 8 months of the year. Sidermex director Guillermo Becker Arreola also reported that this represents a 19.7 percent increase when compared to the 1986 figures, and that the enterprises' production goals have been surpassed by 11.4 percent. *[Summary] [Mexico City NOTIMEX in Spanish 2319 GMT 18 Oct 87 FL]*

Costa Rica

Arias Comments on C.A. Peace Process

PA182347 Buenos Aires REUTER in Spanish 1514 GMT 16 Oct 87

[Report on "exclusive" interview with President Oscar Arias by REUTER correspondent Jose Loria at the presidential palace on 15 October]

[Text] San Jose, 16 Oct (REUTER)—Costa Rican President Oscar Arias, recently awarded the Nobel Peace Prize for his Central American peace plan, expressed his satisfaction upon learning that a mission comprised of contra leaders will travel to Managua to negotiate a cease-fire, and he appealed to his Nicaraguan colleague Daniel Ortega to show more flexibility.

In an exclusive interview granted to REUTER last night at the presidential palace in Zapote, President Arias stated that the establishment of a dialogue in Nicaragua would be a good sign.

Arias, who looked visably tired, stated: "I believe it is a positive sign; I believe it is positive that they are going to Managua, that they are returning to Managua to initiate a dialogue."

The president, 47, has been hounded by the international press ever since he received the 1987 Nobel Peace Prize last Tuesday.

The Central American presidents signed a peace plan proposed by Arias on 7 August, which calls for the establishment of a cease-fire by 7 November to be applied to all regional conflicts and an end of foreign aid to rebel movements.

"I believe important things have occurred—for example, the dialogue between President Jose Napoleon Duarte's government and the (Salvadoran) guerrillas," he said.

He believed a dialogue of this nature would have been inconceivable a few months ago.

"Also, [until recently inconceivable is] the dialogue between representatives of President (Vinicio) Cerezo's government and the Guatemalan guerrillas that took place in Madrid," he added.

"I really expect to find even more flexibility from President Ortega and that he will accept Cardinal Miguel Obando y Bravo's mediation," Arias said.

After contra leaders stated in Washington yesterday that they would send a mission to Managua before 7 November, Ortega stated that he will not allow their entry "unless they accept amnesty and give up their weapons."

Ortega stated to the press at the 10th annivesary of the Sandinist revolution's origins in Masaya that "if the contras come without accepting amnesty, they will end up in jail—even if they are accompanied by U.S. congressmen."

Regarding this incident, Arias stated that he believed "if we really want to attain peace in Central America, we must negotiate guarantees to all parties."

The Costa Rican president noted he was "far away from civilization" when the news that he had been awarded the Nobel Peace Prize was announced to the world. "Today more than ever I feel optimistic because the Nobel Peace Prize is a stimulus for all five Central American presidents to not dismay in our efforts to attain peace," he said.

He added that the prestigious award had not been given to him or Costa Rica alone because the peace process has already been attained [as received]. He also said: "I would say that intolerance and inflexibility are perhaps the biggest obstacles to overcome, and that is why I really hope Nicaragua will give a second thought to the idea of accepting Cardinal Obando y Bravo's mediation."

When asked if he shared Washington's view that the changes made in Nicaragua up to now—specifically, the reopening of the newspaper *La Prensa* and Radio Catolica, the partial cease-fire, and the initiation of a dialogue with the political opposition—are merely cosmetic, the president pondered before answering the following:

"I would not like to judge this. I would rather wait, because the Guatemala agreement states that the foreign ministers will meet 1 month after signing, and the presidents 2 months later, in order to evaluate the work accomplished.

"Surely, the reopening of *La Prensa* and Radio Catolica are insufficient evidence that there is complete democracy in Nicaragua already, but I believe they have taken important steps," he said.

"A few months ago it was inconceivable that they would reopen *La Prensa* and it was inconceivable that we would even meet, and much less reach the agreements we signed on 7 August—this should make us feel optimistic," he added.

According to Arias, the peace plan's 7 November deadline is not an ambitious one.

Arias stated: "I believe that the important thing about the Guatemala agreement is perhaps what differentiates our plans from those of the Contadora Group: the existence of a calendar that obliges us to adopt measures within a scheduled time frame and to demonstrate good faith, seriousness, sincerity, and commitment. The dialogue would otherwise be a mockery...to talk and not to act."

"What we have to do now is comply with the Guatemala agreement."

He added: "I would have preferred a shorter deadline than 90 days [for compliance with the cease-fire], but the truth is that we know how to attain peace in Central America: with commitment."

The 90-day time limit resulted from the negotiation and agreements made by the Central American leaders.

U.S. Congressman Jim Wright has stated that the prize granted to Arias eliminates the possibility of new aid to the Nicaraguan Resistance, even after 7 November.

Salvadoran President Jose Napoleon Duarte, one of the staunchest U.S. allies in the region, stated yesterday that he had requested his U.S. colleague to temporarily suspend aid to the contras.

Arias noted that "this is a decision that the U.S. Congress will have to make," but he flatly rejected a military solution.

It is believed on a national level that Arias has been confronting President Reagan with regard to their different points of view on the Nicaraguan problem.

Reagan's policies apparently exclude consideration for the Nicaraguan Sandinist regime, and it appears that the White House is opposed to the fact that the Guatemalan plan accepts the legitimacy of the Nicaraguan Government.

Is coexistence possible with a Sandinist Nicaragua?

His answer is quick: "The Guatemala agreement does not question the legitimacy of any government."

"If any changes are to occur in the Central American governments, these changes must come through the electoral ballot," he added.

In response to a question, the president stated that he does not know what factors have led President Reagan to an increasingly isolationist position with regard to the Central American peace process.

However, he noted that there is a basic difference between what Washington and the Costa Rican Government believe. "We both believe a lasting peace in Central America is only possible with the establishment of democracy, but we disagree on precisely how this democracy is to be attained."

Arias stated he did not believe that democracy will be attained in Nicaragua through any military pressures exerted by the contras. "This is why we agreed in Guatemala that we should stop military pressure, and that is why a cease-fire is so urgent, so important," he added.

The president felt confident that prior to 7 November "the U.S. Congress will not approve any new aid for the contras."

He added: "It is evident that aid will not be approved, and I believe this is the way it should be, because approval would be used as an excuse not to comply with the Guatemala agreement."

"We must remove obstacles to the Guatemala agreement. This is the essence of the message I recently took to the United States, especially to the U.S. Congress," he said, adding: "This is all that the Central Americans ask for."

When asked if the Sandinists would win elections in Nicaragua if they were held next week, the president answered: "I think not."

"But if the state of emergency is suspended and individual liberties are reinstated, we would find this out through the polls," he added.

Adolfo Calero, the top contra military leader, questioned the Nobel Prize awarded to Arias, calling it premature.

Arias commented on this: "I believe the thought that prevailed in the minds of the Nobel Prize committee members must have been to give us the prize as a stimulus so that we—the five Central American presidents—would not become discourged in our efforts to attain peace."

He added that the award was not for attaining peace. He said: "Of course not, but it is not meant to serve that purpose, and I believe the committee will not be sorry for having given it to us."

He believed the Nobel Prize will produce the flexibility and tolerance urgently needed in these moments. "If not, it will be very difficult to overcome existing obstacles; an end to hostilities is not apparent, and the deadline for the Guatemala agreement recommendations is getting nearer," he said.

"But even so, I feel confident; noncompliance means war will continue, and that is something no one wants."

With regard to the global perspective of the Nobel Prize, Arias affirmed his commitment to the developing countries' struggle against the foreign debt.

"First, I will struggle for peace in Central America, and then I will see about the rest," he said. "It is evident the foreign debt is the main Latin American problem. The main Central American problem is war, the absence of peace. I am very confident that we will find a solution soon."

Arias also committed himself to press for socioeconomic changes in Central America and for an end to minority privileges and the misery and extreme poverty of the majority.

He concluded by stating: "To me it is fundamental to consolidate the emerging democracies in Central America. In order to achieve this, more economic cooperation from some friendly countries are required, and I believe this will occur if we actually manage to comply with the Guatemala agreement."

On Nicaragua, Esquipulas Obstacle

PA181530 San Jose Radio Reloj in Spanish 0100 GMT 17 Oct 87

[Text] President Oscar Arias Sanchez has stated that President Daniel Ortega [words indistinct] change his opinion about a negotiated cease-fire. Referring to his proposal for Cardinal Miguel Obando y Bravo to mediate between the contras and the Sandinist government, [words indistinct] Ortega has not given a categorical no. The Nicaraguan president called Arias to congratulate him on the Nobel Peace Prize and said he would think about the Costa Rican president's idea.

President Arias Sanchez said the main obstacle to the Esquipulas II Agreement is the lack of tolerance, flexibility, and willingness to compromise. He said that the Salvadoran guerrilla groups' position is an example of this because they are practically asking President Jose Napoleon Duarte to get out.

Arias admitted that it is difficult to achieve a negotiated cease-fire in Nicaragua or an amnesty that satisfies everyone in Nicaragua and El Salvador in such a short time. He added that progress will be quickly attained as we draw closer to the deadline, 7 November.

President Arias and Ambassador Morris Busby, U.S. Government envoy for Central America, held a 2-hour meeting today and analyzed several Central American issues. Upon leaving the meeting, Busby, an important adviser to the assistant secretary of state for inter-American affairs, said he brought President Ronald Reagan's and Secretary of State George Shultz' congratulations to the president on the great honor of receiving the Nobel Peace Prize.

Arias Calls for Dialogue With Opposition

PA162124 San Jose Radio Reloj in Spanish 0100 GMT 16 Oct 87

[Text] President Oscar Arias has issued a call for dialogue to the contras [as heard]. He said he does not want to share his joy of being Costa Rican yet, because there are very serious matters at hand. The opposition must be creative and place Costa Rica above any political interest.

Our country comes first; it always comes first. There is no reason to try to prevent dialogue at the Assembly. The Assembly, which is the heart of our democracy, must never cease functioning in Costa Rica. I sincerely and respectfully urge the opposition deputies to engage in dialogue, President Arias said. He asked the opposition deputies to abandon their attitude and place Costa Rica above everything. Today, more than ever, we must pledge to build a more prosperous Costa Rica together, Arias reiterated. He asked the opposition to demonstrate good sense. I would have liked to share with you some joys I feel when speaking to you tonight. I would have liked to share with you the pride I feel at being Costa Rican, at being part of such a noble and generous people. However, we must leave the sharing of these joys and this genuine pride for another occasion. Tonight, I must talk to you about a matter I think is extremely serious.

I issued a stern warning 1 week ago. I said the path to political power in Costa Rica could never again be the path of destruction. The opposition is also obliged to be creative, to place Costa Rica above all political interest, to place our homeland above any partisan objective it may seek to achieve with negative attitudes.

Arias asked the opposition deputies to reflect. He said: The country comes first, always first. There is no reason to try to stop the dialogue at the Assembly. Even during the heaviest bombardment of London by the Nazis the British Parliament never ceased functioning. In Costa Rica, the Assembly—which is the heart of our democracy, the essence of understanding without violence—must never cease to operate. It must be the altar at which we acknowledge that the freely expressed will of the majority prevails. The attitude of closing the door to dialogue and preventing parliament from functioning is not Costa Rican at all. I very sincerely and respectfully urge the opposition deputies to reflect.

The opposition deputies must abandon their attitude, said Arias during his speech. No one must adopt attitudes in violation of the most cherished values we have inherited from our parents and grandparents. We must ask them with the full strength of [words indistinct] to change their attitude, to place Costa Rica first, and to respect the people's will. The deputies must not forget they are representatives of the Costa Rican people and that the Costa Rican people have not given anyone a mandate to seek to destroy our institutionality. I also appeal to the people who gave them their vote to demand that their representatives not assume functions that no one has granted them.

Finally, President Arias said: We must build a more just country together. Today, more than ever, we must pledge to build together a more prosperous Costa Rica. We will build it. It is urgent to consolidate our country's economic and social stability. Nobody has the right to prevent the will of the majority from being expressed at the Legislative Assembly. I have full trust in Costa Rica's grandeur. We are not frightened by the difficult obstacles

on the road to peace. We are not frightened by the artificial obstacles some are trying to create to block our economic progress. The Costa Rican people's grandeur and good sense will prevail. Let us make parliament shine today in full splendor. Costa Rica needs it today more than ever. There is no room for rancor anywhere in our country now that we have decided to open up together new chapters of peace, justice, and economic prosperity in our history.

El Salvador

Zamora, Handal Comment on Government Talks

FDR's Zamora Interview

PA191348 (Clandestine) Radio Venceremos in Spanish to El Salvador 0000 GMT 19 Oct 87

[Interview with FDR Vice President Dr Ruben Zamora with unidentified reporter; date and place not given—recorded]

[Text] [Reporter] Dr Ruben Zamora, what was the main topic discussed during the dialogue?

[Zamora] It allowed us to clearly define [words indistinct] government and our fronts. [Words indistinct] the deep dependence that U.S. domination has brought about. Beginning with that struggle, we plan to find a politically negotiated solution in which all national forces—not only the government or us—wanting a political solution and peace participate in the government during a transitional period. We plan to recover national sovereignty and to pave the way to free elections in which the people can actually choose the winner and decide their own fate. Basically, those were the two positions presented during the dialogue at the nunciature.

I believe our delegation in this October dialogue clearly showed the government delegation that today El Salvador is much more dependent on the United States. The Napoleon Duarte government has reached dependence levels not registered even during PCN [National Conciliation Party] governments. There can be no democracy, therefore, because by definition democracy is a people's ability to determine their own fate. If the country [words indistinct] a foreign power, that is, the United States, there can be no democracy, much less a democratization process.

[Reporter] What was the government's reply to our front's position?

[Zamora] The government was forced to admit that dependence on Reagan administration policies is excessively high. This is so evident that they could not deny this. [laughs] They are trying, however, to justify this by asking: If the government is so dependent on the United States, why is it at war? The government claims war forces it to depend on the United States. The government, then, contradicts itself.

The government claims the war makes it dependent, but on the other hand it also claims there is a democratization process and freedom in El Salvador. I think the government's acknowledgment of its dependence—although it is used to justify the war—is not valid. The logical conclusion would have to be: Let us achieve peace through dialogue and negotiation; let us eliminate war and recover our national sovereignty. However, they refuse to come to this conclusion. They are saying war forces them to depend on the United States.

[Reporter] Dr Zamora, to show us the insights of the meeting itself, could you tell us how the internal contraditions within the Christian Democratic Party [PDC] were exploited?

[Zamora] The contraditions that we all know exist regarding the struggle for the PDC precandidacy [for president] were not explicitly exposed. However, the fact that the government delegation was made up by the two main contenders shows Duarte's attempt to reduce a profound conflict inside his party as much as possible.

If I am not mistaken, he sent the two contending precandidates to the preparatory meeting; he sent them to the dialogue. He traveled to the United States with the two precandidates; he also appointed them as members of the commissions approved during the nuncio dialogue. This suggests Napoleon Duarte is trying to keep the two precandidates busy to maintain party unity. Everyone knows that that unity is very fragile and that it is quite probable that Duarte will be unable to maintain that unity.

[Reporter] What was the Army's attitude and position throughout the meeting?

[Zamora] I believe we could draw an analogy between the Army's attitude during the dialogue and a comedy called [words indistinct]. In this case, we had a clear impression, although the two Army representatives, the defense minister and deputy security minister, made very few and brief statements. Our impression was that the decisions made by Napoleon Duarte and the civilians in his delegation were definitely not made by the Presidency, but by the Army High Command.

This is a constant that we noticed at the La Palma and Ayagualo meetings and have now confirmed: In this country there is more power within the High Command than within the entire civilian government.

This is clearly evident at specific moments during the meeting. When the cease-fire issue was discussed, the presidents made a very weak proposal. Among other things, this cease-fire called for the delimitation of areas where each one of the forces had to stay during the

cease-fire period. Otherwise, the cease-fire would not last even 3 days. After hearing this proposal, the government representatives immediately jumped from their seats and almost withdrew from the meeting, claiming this implied violataing the Constitution.

We clearly told them we thought that in this case the government was using the Constitution as an excuse to cover up for [words indistinct] imposed by the Army on the government.

[Reporter] Regarding another topic more closely linked to you and the other FDR members who have showed a willingness to return to the country, could you tell us whether this topic surfaced at any time during the meeting?

[Zamora] The topic did not surface; the issue of the return of one person or group of people was not discussed. However, the return of certain FDR leaders is fundamental. We discussed whether there is a democratic process in El Salvador.

I think the government very clearly got the message that our position, shared by a majority of Salvadorans, is that there is no democratic process in El Salvador. There is a certain political opening, but it is the result of the struggle the Salvadorans have been waging for years. This political opening responds to U.S. policy in El Salvador.

If we analyze this [words indistinct] Reagan military aid for El Salvador, we can see that the opposition within the U.S. Congress to grant funds to the Salvadoran Government mounted between 1980 and 1983 because of a lack of (?freedoms and respect).

In 1983, the Reagan administration was forced to change this situation slightly; it tried to present a political facade in El Salvador that the U.S. Congress would find acceptable to continue granting military aid. We clearly told the government delegation that the political opening was created by the counterinsurgency plan as well as by the people themselves. However, there is no democratization process in El Salvador. Certain FDR leaders wish to return to the country, but not to join a democratic system, because such a system does not exist there.

[Reporter] There have been many interpretations of your decision. There has been talk that you will join the country's political life, and, of course, Duarte's followers, in a biased way, have suggested you are joining the alleged democratic process. Can you give us more details about your decision?

[Zamora] I think that from a propaganda standpoint [words indistinct] joining political life. I do not like that expression for a simple reason: I have been a part of my country's political life all these years. For the past 7 years I have been fighting for the triumph of the people's justice in El Salvador so Salvadorans can truly live in a democracy with [words indistinct] justice, and social changes [words indistinct]. I have been and I continue to be involved in the country's political life. What is the change? During these past 6 or 7 years my political work has been basically done from outside the country, from (?Nicaragua), and now I have decided to change places and carry out this activity inside the country. Therefore, this is a geographical change in a political struggle I have been carrying out and will continue to carry out. Regarding the matter of [15-second break in reception] our political work inside the country is aimed at fighting to broaden political freedom, from a popular viewpoint, to begin to develop a truly democratic process through a negotiated solution to the country's conflict.

Consequently, the matter is very clear to us. It is not a matter of joining a nonexistent democratic process; it is a matter of fighting, like unions and cultural associations are fighting in El Salvador. We fight so the people will become aware of their rights and historical perspective and so they will join this process. Thus, we can achieve a truly democratic process in El Salvador through a negotiated political solution to the conflict.

[Reporter] In conclusion, Dr Zamora, what is the meaning of this decision in terms of the democratic-revolutionary alliance that has been involved in the political and military struggles all these years?

[Zamora] I think it is important to think about this. I think I said something that has been clear to all of us in the FMLN-FDR from the beginning: A popular victory in El Salvador, which is what we want [words indistinct] combining the various methods of struggle. The FMLN-FDR has never said it is only the armed struggle or only the political struggle that will bring victory. On the contrary, we have always maintained that there must be a political, social, and military struggle, and that the combination of all these efforts will allow the people's force to prevail over the internal and external enemies' forces.

[Words indistinct] starting point for the struggle. This must be specifically applied to the Salvadoran situation. I think the situation in El Salvador [words indistinct] due to the disinformation campaigns, what is referred to as psychological warfare. This is a very important part of the U.S. counterinsurgency plan. An effort is made to [words indistinct] the people's alternatives, the FMLN-FDR alternatives, so the people will only know about them in a distorted way, in an ill-intentioned way.

Therefore, this shows us there is a need for a political struggle in which we can explain to and convince broad sectors of the country that the negotiated political solution we are proposing is a just and correct alternative.

Therefore, there is a need for my political presence inside the country.

We see this, for example, in the work done by the unions that are now UNTS [National Union of Salvadoran Workers] members. They did this work before they formed the UNTS, through forums organized to discuss the peace issue. This helped many people find out what alternatives and solutions were actually proposed in El Salvador.

Regarding this, we feel the political moment has come to make this type of proposal for a political solution at the party level, using the FDR's political parties.

There is a need, therefore, for greater political activity inside the country to promote our theories contained in the 10 July 1986 offer to all Salvadoran sectors. In that offer we mentioned the need for a broad national consensus. These theories must not only be mentioned but must also be promoted through greater political activity inside the country.

That is the idea we are using in this process to acquire a greater presence inside the country through the FDR's political parties.

Some media have speculated that this means that there is a break between the FDR and the FMLN. I want to clearly state the following: First, at no time has it been said that an increase in the political presence of the FDR parties inside the country means there is a break with the FMLN or a division in the democratic-revolutionary alliance. This has never been said and it cannot be said, either. Second, from a realistic and political viewpoint, it would be very absurd and unpolitical to try to have a division between the FMLN and FDR just to have a greater political presence in the country. This is so because of a simple reason: The objective of the FDR political parties in promoting this policy of political presence in the country is to promote a negotiated political solution for the conflict.

We all know in El Salvador that a negotiated political solution is impossible unless it includes the FDR-FMLN. The FMLN is an indispensable factor in any real political solution in El Salvador.

Then, if that is so, it would be absurd for the FDR and its parties, in promoting this negotiated political solution, to fight or break with the FMLN, which is an indispensable factor in a political solution. On the contrary, we think that the democratic-revolutionary alliance must continue to promote a negotiated political solution in El Salvador and a national consensus of the diverse social groups seeking a patriotic resolution of the national crisis.

With this in mind, the government has established certain conditions, such as saying that the FDR leaders who enter the country have to publicly renounce violence, the destabilization, and so forth. We want to clearly state that that type of government statement only seeks to allow us to enter the country as traitors or defeated individuals. In other words, we would be entering the country politically useless. We will not permit that. We will enter the country with our political positions and with a lot of pride in them, because we feel that they are the correct political positions. These are political positions the Salvadoran people must know. [Words indistinct] physically abroad; now it is up to us to fight inside the country, and we will do so.

FMLN's Handal Interview, Part 1

PA162112 (Clandestine) Radio Venceremos in Spanish to El Salvador 0000 GMT 16 Oct 87

["Part 1" of interview with Commander Shafick Jorge Handal, member of the FMLN General Command and participant in the 4 October dialogue with the Salvadoran Government, by unidentified reporter; date and place not given—live or recorded]

[Excerpts] [Reporter] Comrade Commander Shafick Handal, we would first like to ask what was the basic political proposal at the 4 October meeting .

[Handal] The fundamental political proposal that the FDR and FMLN delegation took to the dialogue is the following: The causes of the war in our country continue to exist and they have increased and become more complex. Poverty, social injustice, misery, violence against the people, repression, crime, and neglect not only continue but have worsened during all these years.

However, to all this has been added new problems that are a result of the counterinsurgency war. First, there is an enormous loss of life, and second, there is great destruction, especially of the means of livelihood for the poor and working people. Third, there is an enormous displacement of the population [words indistinct]. More than 1 million people have been forced to leave their places of origin as a direct result of the counterinsurgency strategy that was developed by the United States to be implemented in our country. The fundamental element of this strategy is depopulation, to force the people to break their relationship with the revolutionary fighters. This depopulation policy has been carried out, and continues to be carried out, with bombings, the systematic destruction of houses and crops, and the direct eviction of people. All of this signifies enormous violence against the Salvadoran people.

To all of this we must add something that is really the fundamental problem that our country faces: the loss of national sovereignty, the total dependence on U.S. Government decisions. This is much more complex than what one might initially believe. We clearly explained what this means.

As a result of the implementation of the modern counterinsurgency strategy, of the so-called low intensity conflict strategy designed by the Pentagon and the U.S. Government, the entire Salvadoran state—its ministries, agencies, and all the institutions directly or indirectly

involved with the state—has been conditioned, organized, and adjusted to serve this strategy. Some new institutions have been created. These include the propaganda ministry, which has the misnomer of Culture and Communications Ministry. It is an instrument of the psychological war. Coprefa is also an instrument of the psychological war.

This reorganization and adaptation began with the reorganization and adaptation of the Army, which is really the instrument of power in any state. This also involved the creation of a type of government that is necessary for that counterinsurgency strategy. This strategy has been (?used) by the United States throughout its defeats when it has fought revolutionary movements in the world, especially in Vietnam. With this low intensity conflict strategy, the government must appear to be reformist, democratic, and centrist. While the people are being slaughtered, while great violence is carried out against the people—and in our country more than 1 million are displaced and forced to endure poverty and leave the country—while all this enormous violence exists, the government must appear to the world to be talking about democracy. While it carries out all this violence, it must talk about nonviolence and [words indistinct]. This is an essential element of the strategy. [passage omitted]

The mechanisms of democracy aim to make it possible for the people to express their will and their right to self-determination; that is, their right to decide on their own future. Under the conditions of total dependency in our country, there is no possibility of the people deciding their own future, and therefore democratic mechanisms, electoral mechanisms in particular, do not truly exist. Instead, they serve to strengthen the counterinsurgency strategy, the low-intensity strategy, but not a true democratic process, a process through which the people may exert their will to determine the fatherland's future.

Therefore, the position that the armed conflict in our country is limited to us putting down our weapons and joining the democratic process is a completely false position, because there is no democratic process to be joined in our country.

The only way the Salvadoran people will be able to exercise their right to self-determination is to struggle for [words indistinct] that the people's interests demand is the struggle in the terms in which it is taking place. The revolutionary armed struggle is an expression of the people's will. [passage omitted]

We believe that national sovereignty must be rescued to find a solution to the national conflict. This is why we speak of a transitional period that would begin with the formation of a government that would include all the nation's groups.

As we have said previously, the transitional period should begin with a restructuring of the government: All groups in favor of a political solution should be included, without exception, in that government. The cease-fire would come together with the government's restructuring.

A cease-fire does not mean the disarming of either side, but a cease-fire would create an environment suitable for finding solutions to the conflict. This is because the mechanisms that have upset the nation's life—mechanisms that have been imposed by foreign countries because of foreign imperialist interests—would be dismantled.

The restructured government would take over the state machinery and would reorient it and create conditions so the transitional period may culminate with truly democratic, free elections in which the Salvadoran people will have the opportunity to express their right to decide their country's future. In other words, [words indistinct] the interest of the FMLN-FDR.

The government has tried to distort this. Duarte himself, following the dialogue, has been saying we went there to demand power be delivered to us. This is a deliberate distortion to hide our proposals and to prevent the various national groups from evaluationg our proposal. The government wants to prevent them from discussing it, analyzing it, and finding out its patriotic objectives and its potential for genuine, effective solutions.

We said there that our position is perfectly in line with the fundamental contents of Esquipulas II. We explained that this is why we have said a solution to the Salvadoran conflict can be found in the framework created by the Esquipulas II agreements. Signing the Esquipulas II agreements was an implicit demonstration of a certain degree of regional autonomy. The Central American governments and presidents demonstrated a certain degree of autonomy from the U.S. Government and from the Reagan administration—which I am afraid is opposed to this effort for a Central American solution—when they signed the agreements.

It has been said that we made a big effort to reach this third dialogue, that we generated all sort of international pressure in this direction, and that much pressure for holding this dialogue had been exerted in the country. In the face of this, Duarte has been bragging that his signing the Esquipulas II agreements really represents independence from the U.S. Government. At the negotiating table he made some critical statements making it evident his government does not want the Esquipulas II agreements.

Apparently, Duarte got very scared by what he had said. He became very afraid about what Emperor Reagan would think. This explains, I believe, the truly shameful, disgraceful action in Washington 2 days ago during the

White House reception for Duarte. Duarte stepped down from the speaker's platform, walked to the U.S. flag, and kissed it on behalf, he said, of the Salvadoran people.

This action was really disgraceful. It shows limitless servility unprecedented [words indistinct] in our country's history. Past dictatorial regimes had always respected the limits of national honor and dignity. Our country's history shows a country that moved ahead of other countries in the region in the struggle for independence from Spanish colonialism. The country has been betrayed in recent years. Duarte's action in Washington, as well as being shameful, demonstrates how truthful and correct the FDR-FMLN's position is.

It is hard to believe there are rulers capable of such servility to the empire. And to top it all, this was servility no one had asked him to perform. Can anyone believe a ruler capable of engaging in this type of adulation could promote one tiny bit of democracy or sovereignty for our fatherland? The conclusions are obvious, and everyone must reach his own.

Handal, Part 2

PA181903 (Clandestine) Radio Venceremos in Spanish to El Salvador 0000 GMT 17 Oct 87

["Part 2" of interview with Commander Shafick Jorge Handal, member of the FMLN General Command and participant in the 4 October dialogue with the Salvadoran Government, by unidentified reporter; date and place not given—live or recorded]

[Excerpt] [Reporter] Answering the first question by Radio Venceremos, Commander Handal talked about the political proposal made by the FMLN to Jose Napoleon Duarte's government on 4 October. In this regard Commander Handal continues by saying:

[Handal] The government's proposal at the bargaining table was very simple and simplistic. It boiled everything down to the mechanisms of the Esquipulas II agreements but stripped the agreements of all the fundamental concepts included in them. The Esquipulas II agreements talk about an authentic democracy; they talk about having people exercise power; they talk about sovereignty and self-determination; and they talk about social justice. However, Duarte stripped the Esquipulas II agreements of all those concepts and only proposed a mechanism, that is, a mechanism through which we would declare our position to refrain from violence and to forgive and forget in exchange for amnesty. The FMLN would then announce a cease-fire and later disarmament to join the alleged democratic process in the country.

[Words indistinct] regarding the mechanisms, these must be applied to the specific conditions of each country. This is the concept we upheld in the letter we sent Costa Rican President Oscar Arias. This is the concept that has been accepted by all. This concept has even accepted by the Salvadoran Government since the meeting in La Palmas and Ayagualo.

One of the basic things about this proposal, this dialogue initiated in La Palma, was the recognition that a solution to the national conflict must be sought within our national reality.

Our national reality is that we have a situation of dual power. It is a situation in which we do not have a few small groups of guerrillas dispersed throughout the country who are [words indistinct] with the Armed Forces. It is a big war. We are talking about domination over territorial areas. We are talking about a great conflict that has deep roots in our country. It is a real division of the nation; therefore, the mechanisms must adapt to this. If the mechanisms do not adapt to this and if a firm position is maintained, without adapting to the conditions of the country, then Esquipulas II would be playing the role of an instrument for prolonging and justifying the war and a new military escalation that is already being prepared. We said [words indistinct] as we were meeting and as we spoke of a dialogue, of nonviolence, of forgiving and forgetting; the Salvadoran Army was receiving a new lot of military helicopters, large quantities of weapons, and along with the U.S. advisers the high command was preparing plans for a new escalation of the war.

The so-called Concord campaign was thus initiated. It began at a time when we were carrying out bombings, disembarkations [words indistinct] in different parts of the country. If this mechanism were applied without making any basic changes, if we were to accept this mechanism, what would be the practical result? The practical result would be the consolidation of a counterinsurgent state, of a state outlined by the U.S. Government, of a state without sovereignty; the consolidation by the government in power of the forces that have surrendered the country's sovereignty; and the survival of this system for a long time, because all of the state's machinery, which has been adapted and financed by the U.S. Government, would be at the service of the system's objectives and goals.

The U.S. Government has made it clear in various public statements that it will never accept shared power with the Salvadoran revolutionary forces. This includes all forms of (?participation). Therefore, all the arguments to the effect that elections are the best path to choose, etc., are really nothing more than chaff because the state apparatus is dependent and totally subordinate to decisions [words indistinct]. The government insisted on this position. When I pointed out the democratic, patriotic contents of Esquipulas II, all that it contains regarding social justice, sovereignty, and popular interests, Duarte interrupted me to say that this is the romantic [words

indistinct] of Esquipulas II, that it does not have any effective, practical value. He said that only the mechanisms of amnesty, cease-fire, and disarmament are practical and effective.

I immediately pointed out the flagrant contradiction between these statements and all of the statements and speeches regarding democracy, non-violence, etc., etc. I very clearly told the government delegation: Yes, that is your opinion. You are accustomed to violating all types of documents of popular content. In our country the Constitution has always been violated, it has always been violated in areas pertaining to the people's rights, in all of the areas that guarantee social justice, liberty, and participation. This is what you are accustomed to, and it is in response to this that the Salvadoran people's combative will has risen up. It is in response to this lack of sincerity, this lack of confidence in any type of declaratory document that the people's combative will has risen up. This will is now demanding respect and obedience regarding the essential issue contained in the Esquipulas II document, which is that the document must serve to resolve the Central American conflict.

[Reporter] Commander, the way you describe it, the government's position was devoid of any proposal, of any political foundation. Nevertheless, the government agreed to continue this dialogue and to approve commissions to achieve this end. How do you explain this situation?

[Handal] We are fully aware of the fact that the government's acceptance of these commissions to ensure the continuity of the dialogue expresses a very fragile and temporary agreement between the sectors currently holding power in the country. We realize that in reality this acceptance of the commissions is not based upon the desire to establish basic agreements to pave the way for a political solution. [passage omitted with indistinct passages]

Guatemala

URNG: Government Violating Madrid Agreements

PA192240 Panama City ACAN in Spanish 2106 GMT 19 Oct 87

[Text] Guatemala City, 19 Oct (ACAN-EFE)—Approximately eight dead soldiers, an undetermined number of wounded, a downed helicopter, and attacks on the headquarters of government institutions are the results of actions carried out by Guatemalan guerrillas during the weekend.

The URNG, which is a coalition of the rebel groups, issued a bulletin today stating that "the Christian Democratic government and the Army have violated the Madrid agreements."

The agreements were reached by the "ad hoc" commissions appointed by the Guatemalan Government and guerrillas during a meeting held in Madrid from 7-9 October to find points that would make it possible "to establish the foundations for a dialogue to attain peace and democracy in the country."

The URNG said "the agreements included a bilateral suspension of military actions throughout the territory," adding that "the Army and government have flagrantly violated those agreements."

Defense Minister General Hector Alejandro Gramajo said that "the Army could not suspend its counterinsurgency actions because those actions are a constitutional mandate that the Armed Forces must comply with at all times."

Foreign Minister Alfonso Cabrera, who is also secretary general of the ruling Christian Democratic Party, said the government "cannot take the guerrillas seriously because they are a very small and nonrepresentative group."

Meanwhile, President Vinicio Cerezo said that "there will be no more talks with the guerrillas as long as they do not lay down their weapons and join the democratic process." He warned that the Army will continue its antiguerrilla actions.

According to the URNG, "the government's attitude and the Army's intervention show that there is no real political willingness to seek and find a path leading to real democracy in Guatemala."

The guerrillas had proposed a dialogue within the framework of the peace agreement signed on 7 August at the "Esquipulas II" presidential summit in Guatemala City.

The government feels that "any contact with the guerrillas, according to the regional plan, should not be held directly, but through a National Reconciliation Commission."

The brief guerrilla report notes that an Air Force helicopter was downed in the area of El Quiche, in the northwestern part of the country, an area where the People's Guerrilla Army (EGP) operates.

It has been reported that the aircraft was supplying regular forces.

The report also said that two soldiers were killed and several other wounded when "the military columns were attacked twice ."

Other attacks against military forces in the country's southwest and the western highland plain have also been reported. Six soldiers were killed and a number wounded in these attacks.

The Revolutionary Organization of the People in Arms, ORPA, operates in this area. ORPA reportedly has even clashed with the Army near Atitlan Lake.

On Sunday, the EGP carried out actions on highways in the western part of the country. Private vehicles were stopped and the occupants were forced to listen to harangues by the guerrillas against accepting the government's policy.

Witnesses said that the guerrillas "expressed their willingness to reach an accord." At the same time, however, "they emphasized that the government is not doing anything to achieve peace or to comply with the Esquipulas II accords."

The most important actions occurred in Santa Cruz Barillas, Huehuetenango, and Solola.

About 100 rebels participated in the Santa Cruz Barillas action, while fewer rebels participated at the second action. All of the rebels wore olive green uniforms and arm bands with the letters EGP and were armed with machineguns and rifles.

In Santa Cruz Barillas, four guerrillas fled and told the authorities that they had been "forced to join the rebels" on 16 September, while they were doing their farm chores.

The four guerrilla defectors, all of them Indian peasants, are between 26 and 80 years old.

The police today reported an attack on the home of a worker for the social action central committee that is led by Raquel Blandon de Cerezo, the president's wife.

The attack, carried out with rapid-fire arms, destroyed glass windows and two vehicles, but no one was injured.

It has also been reported that two vehicles were found with bullet holes and blood stains, but the fate of their occupants is unknown.

Honduras

FPR Outlines 'Minimum Government Platform'

PA192215 Tegucigalpa EL HERALDO in Spanish 17 Oct 87 p 4

[Text] Yesterday at 1800, *El Heraldo's* editing room received an anonymous call from the Lorenzo Zelaya People's Revolutionary Forces, FPR, reporting that they had left a communique at the statue of Chilean hero Bernardo O'Higgins on (Los Proceres) Avenue, and they demanded its publication.

The young woman who called hastily read the instructions and immediately hung up. The message said: "We are calling on behalf of the FPR. We have left a communique at the statue of Bernardo O'Higgins for you to publish."

An ordinary air mail envelope wrapped in toilet paper was indeed found there.

Among other things, the guerrilla group asserts that the Armed Forces and the government are currently engaged in a "repression campaign" against the Honduran people's movement, especially on the northern coast, which demonstrates that "the objective of the incumbent regime is to destroy all those who disagree with its antinational, repressive, and capitulating policy."

The group also denies it is planning to kidnap presidential candidate and banker Jaime Rosenthal Oliva, as the police in San Pedro reported after dismantling a rebel safe house in that city. The group also demands from the government a discussion on its minimum platform at the National Reconciliation Commission.

In addition, the Lorenzo Zelaya group asserts that it intends to establish a "patriotic, democratic, and revolutionary government of broad participation that will lay the groundwork for the construction of a Honduras with political independence and free of poverty and social injustice."

The resolution portion of the document states the following:

The "Lorenzo Zelaya" People's Revolutionary Force demands that a National Reconciliation Commission be formed immediately in compliance with the Guatemala accords to discuss our minimum government platform, which is the sole alternative to achieving peace with dignity in our country.

5. This is our minimum government platform, the sole alternative for achieving a lasting peace in Honduras based on genuine democracy and the fulfillment of the people's needs.

a. Immediate eviction of all foreign occupation troops, both U.S. Marines and Somozist counterrevolutionaries.

b. Cessation of repression against the people, respect for human rights, and exemplary punishment of those responsible for the disappearance of people for political reasons.

c. Respect for the people's rights and democratic liberties, such as the right to strike, freedom of organization and movement, and freedom to voice political ideas.

d. Establishment of a patriotic, nonaligned foreign policy of absolute national independence.

e. Implementing overall agrarian reform to place the land and forests under control of those who work them, so the poor, landless peasants can benefit.

f. Ensure health and education for the people at large.

g. Implement a rational job policy aimed at eliminating unemployment and underemployment.

h. Ensure suitable homes for the people.

i. Recover natural resources from foreign hands and incorporate these resources into the nation's patrimony.

j. Fostering the recovery and development of our cultural values and national identity.

c. [as published] Finally, we flatly deny—because they are absurd and false—the Armed Forces' charge that our organization has planned to kidnap Jaime Rosenthal Oliva. This is entirely alien to our view that all honest and worthy Hondurans interested in the country's development should join in the effort to build the new Honduras.

For the people's revolution ...

... Liberation or death.

Central Command of the Lorenzo Zelaya People's Revolutionary Forces, FPR

Honduras, October 1987

Police Discover Safe House, Seize Weapons

PA171652 Tegucigalpa Cadena Audio Video in Spanish 1130 GMT 16 Oct 87

[Text] San Pedro Sula police seized an alleged safe house reportedly used by an alleged subversive cell composed of five young people: three men and two women. According to Lieutenant Colonel Hector Aguilar Claros, 2d region FUSEP [Public Security Force] chief, the police seized the house located in the Monte Fresco area and found ammunition, wigs, literature, a list of people to be kidnapped, and a map of Honduras with Armed Forces installations marked on it.

The house, number 1209, is located at the intersection of 25th Street and 13th Avenue in Monte Fresco. The house is adjacent to the San Francisco neighborhood, southeast of Monte Fresco [as heard].

Inside the house police found 3 grenades, 1 M-16 rifle, 117 M-16 rifle shells, 1 .38 caliber handgun, 23 .38 caliber bullets, 2 black wigs, and false moustaches, beards, and eyebrows, as well as special glue to use with the fake hair. The police also found a large number of books and leaflets that are considered subversive, letters signed with pseudonyms, and notebooks with newspaper clippings—including pictures of businessmen marked with an X and the word "target," which were clipped from the society pages. The authorities believe that these people were possible candidates for kidnapping.

Discussing the operation, Lt Col Aguilar Claros said they had confirmed the existence of the safe house through intelligence agents and information provided by neighbors, but unfortunately the people living in the house escaped. He added that it was possible to locate the house because they found its address among the documents seized from Juan Angel Caballero and Roberto Lopez Ortiz, who were killed on 25 September in the Aurora neighborhood. The following are the people who were to be kidnapped: Min Abufele, Mario Velot, Bobby Vinelli, Ricardo Vinelli, Camilo Rivera Giron, Nancy de Handall, Jaime Rosenthal Oliva, Celia de Caracciolli, Linda Cuello de Abufele, Antonio Giacoman, Edwin Rosenthal Oliva, Felipe Arguello, and Mario Rietti.

Nicaragua

Heavy Government-Contra Clashes Reported

MI-17 Downed

PA162242 Managua Radio Sandino in Spanish 1200 GMT 16 Oct 87

[Press bulletin issued by the Public Relations Department of the Defense Ministry in Managua on 15 October]

[Text] An MI-17 helicopter, registration No 316, was shot down by an antiaircraft missile fired by the counterrevolutionaries at 1630 on 14 October at La Francia, 11 km north of Villa Sandino, Chontales Department. The helicopter was giving air support to our troops that had been fighting for the last 2 days in the area north of Santo Domingo. Thanks to the experience of the pilot, two crewmembers—Lieutenant Martin Zamora Amador, the pilot, and 2d Lieutenant Eddy Rios Perez, the technician—are alive. The fate of Comrades Lieutenant Helmuth Seller Maravilla, the copilot, and Lieutenant Carlos Trejos Salazar, flight engineer, is still unknown.

On 15 October, in an effort to make a propaganda show, a counterrevolutionary group of the Jorge Salazar Regional Command tried to take over some towns located along the Juigalpa-El Rama road in military Region 5. The main goal was to take over Santo Tomas, a village in Chontales Department, and to block the road. The counterrevolutionaries did not achieve their goal of controlling any sector or taking over any town.

A group of about 450 counterrevolutionaries attacked Muelles de los Bueyes at 2040. They tried to destroy the bridge over the Mico River and the (Inuba) bridge joining Santo Tomas with La Gateada, but only caused partial damage. So far, it has been confirmed that eight counterrevolutionaries are dead, one civilian is dead, and five civilians are wounded.

At approximately 0315, a similar counterrevolutionary group attacked La Batea, a small village just outside of Muelle de los Bueyes. As a result of this action, six counterrevolutionaries are dead and five civilians are wounded. At 0330, the town of San Pedro de Lovago, north of Santo Tomas, Chontales Department, was attacked. The counterrevolutionaries placed explosive devices in the drainage system of the Santo Tomas-San Pedro de Lovago road. Our troops fought until approximately 1200. The outcome of these actions will be announced shortly.

The town of Santo Tomas was attacked at 0730, and our troops fought against the revolutionary organization until approximately 1300. So far, it has been confirmed that four revolutionaries [as heard] are dead while five civilians are wounded.

Managua, 15 October 1987

[Signed] Public Relations Department of the Defense Ministry

91 Contras Killed

PA171956 Managua Radio Sandino in Spanish 1200 GMT 17 Oct 87

[Text] Lieutenant Colonel Roberto Calderon reported that the EPS inflicted 91 casualties on the counterrevolutionaries that tried to seize four towns in the country's 5th Region early Thursday morning. In this action, the contras destroyed two bridges and Radio Revolucion's relay antenna. Forty-four combatants heroically died defending the country. Here is a report from Juigalpa by our special correspondent, Nazarena Zeledon:

[Begin Zeledon recording] Coinciding with the end of the U.S. fiscal year, in September the counterrevolutionaries received supplies in the northern part of the department [not further identified] and in Punta Gorda. They tried to cut off the Atlantic and Pacific regions by blowing up the bridge over the Mico River but they were unsuccessful. This was reported by Lt Col Roberto Calderon, military chief of the region, in a news conference held here in Santo Tomas, Chontales Department.

In both battles that have been waged in recent days, as well as in the unsuccessful attempts to seize four towns that were attacked almost simultaneously early on 15 October, the counterrevolutionaries were repelled by the self-defense troops of the towns of La Batea, Muelle de los Bueyes, Santo Tomas, and San Pedro de Lovago. In the fighting in San Pedro de Lovago, 91 counterrevolutionaries were killed and one woman was captured after she was wounded. Forty-four of our heroic combatants were killed fighting various mercenary groups in the attacks on the towns and nearby areas. Two civilians were killed in the attack on Muelle de los Bueyes. More than 20 troops were wounded in the actions.

Lt Col Roberto Calderon said that a counterrevolutionary force of approximately 830 men operated in the area of the fighting. He also said that the Sandinist forces will continue to pursue the enemy, and he did not rule out future battles. Regarding the attack on the towns, the officer stressed the heroic action of the Pancasan Battalion in Santo Tomas. That battalion comes from the 3d Military Region and is comprised of workers and professionals. In the attack on La Batea, a town without any military importance, six counterrevolutionaries were killed.

Calderon said that the contra actions in San Pedro de Lovago and Santo Tomas were carried out in an effort to cut off reinforcements. The contras destroyed two bridges: one [words indistinct] in San Pedro de Lovago, and another on the same road to La Libertad. The regional military chief stressed the extensive support of the Sandinist Air Force and he commented on the downing of the MI-17 helicopter. He said that the pilot and flight technician have been rescued but the copilot and another technician are missing. Calderon said that the search for them continues.

Discussing economic damage, he mentioned the blowing up of Radio Revolucion's antenna in Muelle de los Bueyes and the destruction of civilian and military vehicles. [end recording]

Contras Report EPS Casualties

PA181333 Hamburg DPA in Spanish 0252 GMT 17 Oct 87

[Text] Tegucigalpa, 16 Oct (DPA)—The anti-Sandinist Nicaraguan Resistance (RN) tonight reported that it inflicted more than 200 casualties on Nicaraguan Government forces in fierce fighting in eastern Nicaragua, and it conceded that there were several RN casualties which have not been counted yet.

According to official report issued in Managua tonight, the Sandinists reported that they killed 91 contras while suffering 20 casualties in their own ranks.

In a military report on the incidents received by DPA in Tegucigalpa, the contras noted that their "Jorge Salazar" Regional Command carried out strong military operations on the Rama-Managua road and that, according to the rebels, this is a road used to transport weapons from socialist countries that are unloaded at El Bluff port.

The report from the strategic command indicates that the rebels entered Santo Tomas, San Pedro de Lovago, La Batea, and Los Muelles.

In addition, the rebels said that they damaged the strategic Muelle de los Bueyes bridge and destroyed other facilities. According to their command, the objective was to weaken the Sandinists' arms supply route which, according to the "contras," is the government forces' most heavily protected area.

Security Tightened at Border Checkpoint

PA161615 Managua Domestic Service in Spanish 1200 GMT 15 Oct 87

[Text] Ocotal—The Interior Ministry has issued a statement from Region I announcing restrictions on activities at the Las Manos border checkpoint.

Commander (Enoch Flores), chief of State Security in Las Segovias, said that measures will be adopted to prevent illegal commercial activities and the introduction of enemy propaganda and war materiel. He said that gatherings have been taking place at the post without restrictions, but that the enemy has taken advantage of these opportunities to bring agents, (P-4) explosives, and propaganda into Nicaragua in order to carry out terrorist and sabotage activities.

Therefore, it has been decided that, with the exception of the peace commissions, only the relatives of Nicaraguans who are in Honduras for one reason or another will be allowed in Las Manos. He said that substantial amounts of enemy propaganda and explosives have been seized and that enemy efforts have been countered thanks to the cooperation of those attending gatherings at Las Manos on Saturdays.

There is a humanitarian aspect to the Saturday gatherings at Las Manos, a fact the enemy has overlooked.

As is known, a large quantity of explosive material was seized on Saturday at this checkpoint. The explosives were smuggled by two FDN [Nicaraguan Democratic Force] agents who were caught red-handed by State Security agents.

Contras Apply for Amnesty Under Esquipulas

PA161540 Managua Domestic Service in Spanish 1200 GMT 15 Oct 87

[Text] Taking advantage of the Esquipulas II Agreement, 30 more counterrevolutionaries have applied for amnesty allowed under the decree issued by the revolutionary government.

Carlos Morales, Region I presidency minister [title as heard], reported that a few days ago a mercenary was found hiding in his father's home with gangrene in one of his legs and was receiving no medical attention. He added that the Ciudad Antigua peace commission headed by Sister Paz Argendiva convinced his relatives to take him to a hospital, where his leg was amputated. He is now at his home in Ciudad Antigua.

Panama

Opposition Vows To 'Paralyze' Nation

PA192329 Hamburg DPA in Spanish 2220 GMT 19 Oct 87

[Excerpts] Panama City, 19 Oct (DPA)—The groups in opposition to the government of President Eric Arturo Delvalle and General Manuel Antonio Noriega, commander in chief of the "Panama Defense Forces" (FDP), today announced that "the demonstration this coming Thursday at noon will totally paralyze the country."

The "National Civic Crusade" (CNC)—which is comprised of 112 commerce, industry, professional, worker, and student organizations—said today that "22 October will be the day of the largest popular demonstration ever recorded in the history of Panama to protest military repression, the closure of the communications media, persecution against opposition leaders, and the lack of guarantees for an electoral process that will guarantee free and clean elections in May 1989."

It is noted that "the popular demonstration will be in the vicinity of El Carmen Church."

Mayor of Panama Jilma de Jurado today granted permission for the demonstration but not for a march through the streets.

Meanwhile, the FDP warned of the "danger that this demonstration represents." [passage omitted]

Today, former Presidnt Arnulfo Arias Madrid, 87, who has occupied the Presidency and has been overthrown three times—the last time on 11 October 1968—said that "we will show on Thursday the grandeur of the Panamanian people, who are determined not to continue being ruled by a corrupt military leadership."

Arias Madrid stated in his call that "the fatherland is calling on us, and we cannot say no."

The "National Civic Crusade" today began the preparations for the vast demonstration, and it was learned that people "from all the corners of Panama" will come.

The students of the University of Panama announced that they will join the popular demonstration this coming Thursday.

Cabinet Council Bans Rallies

PA200635 Panama City Televisora Nacional in Spanish 0500 GMT 20 Oct 87

["Text" of Cabinet Council Resolution No 70; dated 19 October]

[Text] Resolution No 70 of 19 October 1987:

The Cabinet Council of the Republic of Panama,

Whereas:

Article 38 of the Constitution of the Republic of Panama establishes that students and people of the Republic have a right to hold peaceful meetings without any weapons and for legal purposes under the following conditions:

The people of the Republic have a right to hold peaceful meetings without weapons for legal purposes, demonstrations or rallies that are held outdoors are not subject to permits, and the local administrative authorities must be notified 25 [as heard] hours in advance in order for

these demonstrations to be allowed. The authorities may adopt police measures to prevent or repress any abuses in exercising this right when the manner in which it is done may result in the disruption of traffic, disruption of public order, or violation of the rights of third parties. When demonstrations or rallies are planned in such a way that these violate the conditions established by the Constitution, the administrative authorities may adopt police measures to prevent or repress abuses in exercising these rights. The Constitution does not encourage or permit—while making use of a basic right—violations or the rights of others to be affected. As established in Article 17 of the Constitution, the authorities have the basic mission of protecting citizens.

Through pamphlets, radio broadcasts, reports published in the media, and other means, several persons have repeated an appeal for a national mobilization to be held on Thursday, 22 October, with the specific purpose of subverting public order and toppling the legal authorities. The rally that is scheduled to be held in Panama City with the above-mentioned purpose on Thursday would also violate many dispositions of the legal code. Therefore, it is the duty of the authorities to warn the people of the illegal nature and to adopt all measures that will prevent the demonstration. Therefore, be it resolved:

To warn that the demonstrations and rallies that have been called for Panama City within the next few days following 22 October, with the specific purpose of disrupting public order and disrupting freedom of movement in order to oust the authorities, are illegal based on the Constitution and the penal code.

To order the authorities to adopt all the necessary measures to prevent the demonstrations and rallies that have been called for illegal purposes from taking place and to turn all responsible parties over to the authorities—as stipulated by the law—empowered to punish them.

To clarify that when in any part of the national territory a meeting is called while making use of the right to hold peaceful meetings without weapons for legal purposes as provided by Article 38 of the Constitution, such meetings can be held, and the administrative authorities will adopt the police measures necessary to guarantee the correct use of this right in a manner so it will not disrupt traffic, disrupt public order, or violate the rights of third parties.

Report, publish, and carry out.

Issued in Panama City on 19 October 1987

[Signed] President Eric Arturo Delvalle, Government and Justice Minister Rodolfo Chiari de Leon, Foreign Minister Jorge Abadia Arias, Finance and Treasury Minister Hector Alexander, Education Minister Manuel Solis Palma, Public Works Minister Rogelio Dumanoir, Agricultural Development Minister Hirisnel Sucre, Commerce and Industry Minister Jose Bernardo Cardenas, Labor and Social Welfare Minister Jorge Federico Lee, Health Minister Francisco Sanchez Cardenas, Housing Minister Ricardo Bermudez, Planning and Economic Policy Minister Ricaurte Vasquez, Presidency Minister Nander Pitty Velasquez

U.S. Canal Payments, Law 96-70 'Not Fair'

PA192149 Panama City MATUTINO in Spanish 19 Oct 87 p 8

[Article by Roberto R. Rodriguez: "Panama Canal Compensation Payments Are Not Fair"]

[Text] During the 1903-1977 period, the economic relations between Panama and the United States concerning the Panama Canal were characterized by an "exploitation" of the canal; our treasury received 69.9 million balboas during that period.

However, with the new Torrijos-Carter Canal Treaties, which were signed in 1977 and went into effect in 1979, the revenue from the canal has been approximately 597 million balboas, which shows that the country had not been receiving fair compensation for its main natural resource.

During a meeting with the Assembly's Canal Affairs Committee, top DEPAT [Panama Treaty Affairs Directorate] officials informed Juan B. Sosa, new Panamanian ambassador to the United States, about the status of the treaty implementation process.

DEPAT officials warned the new diplomat that Panama is not being fairly compensated, even with the new treaties, because of the illegal U.S. congressional Law 96-70, which grants privileges to U.S. citizens working in the canal. These are privileges that were not agreed upon by the two nations.

These privileges affect the country's treasury and include the U.S. citizens' rights to use the diplomatic pouch, housing and electricity subsidies, trips to the United States by U.S. canal employees and their relatives, anticipated retirements, free Panama-Colon transportation, and others that represent almost $5 million in disbursements.

In addition, the United States has stopped paying Panama 8 million balboas a year for surplus canal toll fees.

DEPAT Director Daniel Delgado stressed that Panama and the United States resolved a situation of injustice through negotiations that were an example to the world. However, he added, it is also true that the two nations should have a relationship based on a "partnership"; there should be "cooperation." However, this cooperation is affected by U.S. Law 96-70.

Argentina

Soviet Trade Officials Arrive for Meetings

PY191957 Buenos Aires TELAM in Spanish 1525 GMT 19 Oct 87

[Text] Buenos Aires, 19 Oct (TELAM)—Soviet Foreign Trade Deputy Minister Vladimir Pavlovich Pavlov arrived this morning to participate in the 10th regular session of the Argentine-Soviet joint commission for economic, scientific, and technical cooperation.

Pavlov, who made no statements to the press, was welcomed by Foreign Trade and Industry Secretary Juan Ciminari.

The Soviet officials came to attend the 10th regular session of the Argentine-Soviet joint commission, which will discuss bilateral commercial-economic and technical-scientific relations, taking into account the ideas expressed by Soviet Foreign Minister Eduard Shevardnadze in the talks he held with his Argentine counterpart Dante Caputo during Shevardnadze's recent visit.

Some of the subjects they will discuss include the state of current relations and prospects in the trade sector, seeking new forms of economic cooperation, such as joint enterprises.

Pavlov is accompanied by the international relations chief of the Soviet State Committee for Economic Relations, and the secretary of the Soviet-Argentine Joint Commission for Economic, Scientific, and Technical Cooperation.

CNEA Note Denies Contamination Risks

PY162300 Buenos Aires DYN in Spanish 1430 GMT 16 Oct 87

[Text] Buenos Aires, 16 Oct (DYN)—The CNEA today denied rumors that the cesium-137 leak in Goiania, in Brazil's northeastern region [as received], which occurred a few days ago, may have contaminated Argentina and Paraguayan regions of the Parana River basin.

A CNEA circular released this morning states that the situation in Goiania is under control, and that the radioactive material is being removed and being treated as nuclear waste. The circular adds that the operation is slow, "but does not present any danger to the environment."

A few days ago in Goiania, Goias State capital, a leak of radioactive cesium-137 powder contaminated some 50 people. Ten of the victims were seriously burned and 4 of these 10 are in very serious condition.

International press rumors attributed to Brazilian and Paraguayan nuclear energy experts, stated that heavy rains in Goias State may take the radioactive powder to the rivers of the Parana River basin, and extend contamination to Argentina in the south and to the United States in the north.

According to the CNEA circular, these rumors "have no scientific basis because, in view of the amount of radioactive material involved, there is no risk of contamination, except to areas close to the location of the accident."

Disagreements Cause CGT Members To Resign

PY160230 Buenos Aires NOTICIAS ARGENTINAS in Spanish 2145 GMT 15 Oct 87

[Text] Buenos Aires, 15 Oct (NA)—CGT [General Confederation of Labor] Secretary General Saul Ubaldini today confirmed that three executive board members, including Assistant Secretary Hugo Curto, have resigned their posts on the board due to "Labor policy problems."

Ubaldini said this attitude does not mean that their respective organizations—Metallurgical Workers Union, Petroleum Workers Union, and Meat Workers Union—will leave the CGT. Ubaldini added that meetings are being conducted with the three to try to get them to reconsider.

The CGT reiterated its rejection of the latest official announcements and confirmed they are preparing a protest plan to be submitted to the confederation's executive committee next week.

CGT 'Internal Crisis'

PY170317 Buenos Aires Domestic Service in Spanish 1600 GMT 16 Oct 87

[Excerpt] The most newsworthy report of the day is the political crisis at the General Confederation, CGT. The agreement reached between the group known as Renewal Unionists and Ubaldini's group on the distribution of posts in the executive board of the Justicialist Party has touched off an internal crisis within the CGT. The crisis brought about the resignation of Secretary Edmundo Hugo Curto, and other representatives of the Lorenzo Miguel group.

CGT head Saul Ubaldini has officially explained that the resignation of Curto, Omar Peombara from the SUPE [United Trade Union of State Petroleum Workers], and Lesio Romero was a reaction to newspaper reports on alleged negotiations over the CGT representation in the party's leadership. Sources from the Orthodox faction have reported that the following leaders have resigned: Virgilio Nunes, from the Light and Power Union; Juan Molina, from the Health Workers Union; Juan Reyes, from the Restaurant Waiters Union; Pedro Goyenet, from the Textile Workers Union; and Raul Amin, from the Mechanics Union.

Amin, who is a member of the 62 Organizations as are most of those who have resigned, said the best thing the political sector could have done is to allot a number of posts for the labor unionists and let the Peronist labor movement choose through the 62 Organizations those who should have filled those posts in the National Justicialist Council. [passage omitted]

Brazil

CNEN Official on Goiania Nuclear Accident, Dump

PY191844 Sao Paulo Radio Bandeirantes in Portuguese 1600 GMT 19 Oct 87

[Text] The areas [focos] of radioactivity in Goiania will never be eliminated. This comment was made by National Commission for Nuclear Energy coordinator Professor Julio Rosenthal. According to Rosenthal, the radioactive residues will be permanent. He guaranteed, however, that these radioactive residues will remain within the safe levels.

The authorities have confirmed that the Goias State [word indistinct] has assumed the control of [words indistinct] or the site chosen to serve as an atomic waste dump, following protests by the Goiania people.

The area chosen is only 20 km from downtown Goiania.

President Sarney Postpones Cabinet Reform

PY200212 Rio de Janeiro Rede Globo Television in Portuguese 2255 GMT 19 Oct 87

[Text] President Jose Sarney has decided to postpone the administrative reform he was to announce today in Brasilia. Since his return from Venezuela, the president has been discussing with his advisers the changes he intends to make.

Presidential Spokesman Frota Netto said President Sarney is still studying the proposals on administrative reform presented by his team of advisers before his trip to Venezuela. According to Frota Netto, the president decided 2 weeks ago to effect an administrative reform, but he does not want to set any date for the implementation of this reform because he needs more details that will guarantee its effectiveness.

Frota Netto added that although Sarney is taking special care of the administrative reform, he is not disregarding the reorganization of the basic political support to his government.

[Begin recording] [Frota Netto] The president's concern is that political support for his government will be in keeping with the government program he had announced, which has already received the support of most sectors of society through the National Constituent Assembly.

[Reporter] But is it possible to achieve these two different things?

[Frota Netto] After the administrative reform, the president will certainly complete his ministerial cabinet in accordance with the basic political support he receives. [end recording]

According to Frota Netto, President Sarney is satisfied and certain that the PMDB, led by Deputy Ulysses Guimaraes, has complied with a request he made, but he is trying to save time in order to get more support from other parties for administrative reform.

President Sarney decided to postpone the announcement of the administrative reform by at least 48 hours, until Wednesday or Thursday. This is because he wants to expand the basic political support for the government by Congress and the Constituent Assembly.

The president, who has already received several expressions of support from the PMDB, also hopes to receive the support of the entire Liberal Front Party. In addition to Communications Minister Carlos Magallaes, he hopes to receive the support of Minister Aureliano Chaves and Senator Marco Maciel.

The new basis of political support to the government, however, will not be limited to these two parties: the PMDB and the PFL. President Sarney also wants the support of other minor parties because he wants to make a government of national unity in order to overcome the economic crisis and to guarantee the conclusion of the democratic transition process.

Sarney Thanks PMDB

PY200155 Brasilia Domestic Service in Portuguese 2200 GMT 19 Oct 87

[Text] Presidential Spokesman Frota Netto today said President Jose Sarney is very satisfied with the governors' letter. According to Frota Netto, the document shows great public spirit and brings stability to the country. The president wants to build a government of national unity. Frota Netto also discussed the president's comments regarding PMDB unity and the participation of other parties in the consolidation of the democratic transition period.

[Begin Frota Netto recording] The president commented on the PMDB's spirit of unity, its demonstration of support, the support of nearly the whole party bloc, and Ulysses Guimaraes' leadership.

The president said he is sure that the PMDB understood his call, and that the party reacted with patriotism in the face of the current difficulties. He also requested that everyone work together for the consolidation of democracy. President Sarney expects to receive the support of other parties in his search for national unity. He asks the PFL, where he has good friends and colleagues who

helped him in the early days of his administration, not to abandon him now, to support him in this decisive phase of transition, and to help gain the approval of a constitution that lives up to the aspirations of the Brazilian people. [end recording]

Regarding the administrative reform, Frota Netto said the president is carefully analyzing the subject. He said the president is studying the basic requirements for administrative reform, as well as the political-administrative principles of government, modernization, expeditiousness, and rationality.

Finance Ministry Issues Communique on Moratorium

PY192309 Brasilia Domestic Service in Portuguese 2200 GMT 19 Oct 87

[Text] Brazil will suspend the moratorium only when it reaches an agreement with the creditor banks on the renegotiation of the Brazilian foreign debt within the terms of the Brazilian proposal presented on 25 September. This was stated in an official communique issued today by the Finance Ministry. The communique added that Brazil will make a token payment of the debt interest without delay, only if significant progress is made on the renegotiation.

The communique stated that the Brazilian Government has two objectives in the renegotiation of its foreign debt: To make significant progress toward a long-term solution, and to suspend the moratorium.

Bresser on Moratorium

PY192342 Brasilia Domestic Service in Portuguese 2200 GMT 19 Oct 87

[Text] Finance Minister Luiz Carlos Bresser Pereira has told businessmen in Curitiba that he will not lift the moratorium.

This morning when he was received by a group of Parana businessmen here in Curitiba, Finance Minister Bresser Pereira spoke about the general situation of our national economy. The minister also listened to the sector's demands and discussed different issues like salary readjustments, inflation, and the foreign debt.

After the meeting the minister gave the media a document clarifying a point regarding the foreign debt which, according to him, is creating great confusion and interfering in the foreign debt negotiation.

[Begin Bresser recording] The principle idea is that we want to negotiate, we are very interested in cooperating with the U.S. Government and with the banks to help them overcome their [word indistinct] problem so they will not have to cope with a multitude of interests in relation with the Brazilian foreign debt.

However, we will not suspend our moratorium until the entire foreign debt problem is solved. People are always talking about the payment [preceding word in English], which is only a token payment. The so-called payment has been interpreted as the suspension of the moratorium, and this is not correct. [end recording]

Army Minister on 6-Day Visit to Saudi Arabia

PY191255 Brasilia Radio Nacional da Amazonia Network in Portuguese 1000 GMT 19 Oct 87

[Text] Army Minister General Leonidas Pires Goncalves yesterday began a 6-day official visit to Saudi Arabia. The Army Public Relations Department reported that the minister is returning the visit of Saudi Defense Minister Sultan ibn 'Abd- al-'Aziz Al- Sa'ud to Brazil in 1984, and that Gen Goncalves will also promote bilateral relations.

PMDB Pressures Governor To Take Leave

PY200055 Rio de Janeiro O GLOBO in Portuguese 15 Oct 87 p 8

[By Special Correspondent Adeilo Bezerra]

[Excerpt] Boa Vista, Roraima—Roraima's Governor Getulio Cruz announced yesterday afternoon that he will leave his post for an indefinite period of time, and the he will be replaced by Colonel Roberto Pinheiro Klein. Cruz said he made this decision because of pressure exerted by PMDB and Constituent Assembly President Ulysses Guimaraes. Interior Minister Joao Alves, however, said Cruz' resignation should depend on a legal decision.

I will be on leave until Silvio Leite's case [the murder of Boa Vista Mayor Silvio Leite] is solved, the governor said before announcing the name of the acting governor, who is currently head of the Civilian Defense Department of the Interior Ministry, headquartered in Uberaba [Minas Gerais State] [passage omitted]

Chile

FPMR Communique Says Colonel in Good Condition

PY191816 Madrid EFE in Spanish 0429 GMT19 Oct 87

[Text] Santiago, 19 Oct (EFE)—Chilean Army Colonel Carlos Carreno, who was kidnapped by an ultraleftist commando 6 weeks ago, "is in good physical and mental condition." This is stated in a communique that was forwarded by the kidnappers to several press offices early this morning.

Copies of "Communique No 005" of the "Manuel Rodriguez Patriotic Front" (FPMR) were dropped in gardens and other public places in downtown Santiago. Mariela Vargas, a self-styled FPMR spokesman, made several telephone calls, announcing where the communique could be found.

Attached to the communique was a "polaroid"-type photograph, showing the abducted officer sitting under a flag with an "FPMR" logo and reading a copy of the "*El Rodriguista*" bulletin, an underground FPMR publication. The government describes the FPMR as the armed branch of the Communist Party of Chile.

In the photograph, Col Carreno has a thick mustache which he did not have 1 and 1/2 months ago when he was kidnapped on the morning of 1 September while leaving his house in a residential neighborhood in eastern Santiago.

On 1 September, an armed commando, which pretended to be inspecting the sewerage system, pushed Col Carreno into a van, and quickly left the scene followed by another vehicle, presumably transporting other members of the commando.

Twenty-four hours later, the FPMR claimed credit for the kidnapping, releasing its "Communique No 1." thereafter, three other communiques have been relased. The last communique was released on 20 September.

On 21 September, Military Prosecutor Fernando Torres, who is handling the legal proceedings in Col Carreno's kidnapping, banned the local press from publishing any reports on the issue. Since then, nothing has been reported about Col Carreno until early this morning.

In their "Communique No 005," the kidnappers state that "the operation has not been completed." However, they do not mention any terms for freeing the officer-.[sentence as received]

Debt Negotiations Formalized With Paris Club

PY181734 Santiago Domestic Service in Spanish 0930 GMT 17 Oct 87

[Text] Hernan Sommerville, who is handling the Chilean foreign debt negotiations, has reported that the negotiations with the Paris Club have been completed and formalized. He said the negotiations involving rescheduling of the foreign debt since 1983 have finally been formalized and completed. Sommerville said the appropriate agreements were implemented in late August 1987.

[Begin Sommerville recording] We signed the last two bilateral agreements under the Paris Club accord with the Spanish and Austrian Governments. Following the signing of these two agreements, the negotiations with the Paris Club were completed and formalized. In addition, as I explained on a previous occasion, the negotiations involving the rescheduling of the Chilean Foreign debt to the international banks since 1983, when we experienced a crisis, was also completed. The negotiations with the international commercial banks began at the end of 1986. The agreements signed on 17 June 1987 in New York have been implemented. All the agreements were implemented in late August 1987. Thus, the entire medium- and long-term Chilean foreign debt with the international commercial banks has been rescheduled. [end recording]

Thus, the country will not have any foreign debt commitments involving a rescheduling until 1989. Payments will be made in 1993 and the last payment will be made in the year 2002.

In addition to a 6-year grace period a 15-year repayment period was negotiated.

We must recall that in August 1987, Chile's foreign debt to international banks totalled $19,250,000,000.

In addition, Sommerville said that in 1987 Chile will have to pay $1.6 billion in interest rates and $330 million in amortizations. Similar figures are being considered for 1988, Sommerville said. He added, however, that a reduction in the Chilean commitments with its commercial creditors must be considered.

In conclusion, Sommerville said Chile could once again hope to enjoy the voluntary markets [mercados voluntarios], that is, to apply for loans without resorting to any type of endorsement.

Courts Order Police Protection for Bustos

PY161325 Santiago Radio Chilena Network in Spanish 2200 GMT 15 Oct 87

[Text] The Santiago appellate court this afternoon ruled that Manuel Bustos Huerta, president of the National Workers Command [CNT], should be granted police protection for 30 days. Bustos has received many death threats from the self-styled Chilean Anticommunist Association [Asociacion Chilena Anticomunista—ACHA], which has announced that Bustos Huerta's days are numbered, and that 7 November is the deadline to carry out action against him. After listening to lawyer Jose Galiano's plea, the appellate court judges ordered the Carabineros to protect Bustos at his home, located in the La Florida district; at CNT headquarters, and at the factory where he works.

The judges also agreed to send copies of the court's ruling to the interior and defense ministers so they can take the proper measures to prevent the extremists' action.

Manuel Bustos has been charged by the government in his capacity as CNT president and because of his alleged responsibility for calling the 7 October stoppage.

The case against Bustos and CNT Leaders Arturo Martinez and (Moises Sabrana) is being handled by Judge (Arnoldo Dreysse), who has ordered a series of investigations before proceeding to question the union leaders.

Social Democratic Party President Resigns

PY191601 Santiago EL MERCURIO in Spanish 6 Oct 87 p C-3

[Excerpt] Social Democratic Party President Arturo Venegas, who because of disagreements over party strategy has been confronted with a serious internal party crisis in recent days, last night submitted his irrevocable resignation during a special session of the party's National Executive Committee (CEN).

Venegas yesterday had lunch with the majority of the CEN members, to whom he announced his decision. It has been learned that CEN members will resign over the next few days in order to give more freedom to the special convention that will elect the new party authorities.

Venegas announced his decision in a report that he read during a brief CEN session. The CEN took notice of Venegas' resignation, which today will be submitted in writing to Supreme Tribunal President Florencio Galleguillos. [passage omitted]

Colombia

Car Bomb Explodes in Ministry Parking Lot

PA192211 Madrid EFE in Spanish 2150 GMT 19 Oct 87

[Text] Bogota, 19 Oct (EFE)—A car bomb exploded this afternoon in the Defense Ministry parking lot in Bogota, destroying four or five vehicles and damaging nearby buildings.

The initial reports indicate that three or four people were injured. Several fire trucks are reportedly putting out the fire.

New Rebel Group Claims Credit

PA200106 Bogota Inravision Television Cadena 1 in Spanish 0000 GMT 20 Oct 87

[Antonio Morales report]

[Text] A bomb containing at least 20 kg of explosives went off at 1630 this afternoon in the main parking lot of the Defense Ministry in the National Administrative Center, on the road to Eldorado [not futher identified]. Seven persons, including several militarymen, were seriously wounded and 19 vehicles were destroyed.

According to initial reports, the bomb was placed inside a sewer. Apparently, the terrorists managed to enter the Defense Ministry installation through the sewer system. The explosion created a huge crater.

The explosion occurred a few minutes before the office staff was scheduled to leave. Had the explosion taken place moments later, many people would have been killed. All the Defense Ministry's front windows were shattered, and bits and pieces from the vehicles were hurled as far as 300 meters from the explosion site.

The area has been placed under military control, and a large-scale security operation has begun due to the possibility of another attack. It was later learned that a new group called Communal Rebels [Insurgencia Comunera] took credit for the action.

Paraguay

Romeo Acosta Scores IDB, World Bank Meetings

PY151624 Asuncion HOY in Spanish 15 Oct 87 p 7

[Excerpt] Paraguayan Central Bank President Cesar Romeo Acosta yesterday handed to President Stroessner an additional report on the meetings held in Guatemala and in Washington. The IDB meeting was held in Guatemala, while the World Bank's meeting was held in Washington.

Regarding the meeting in Guatemala, Romeo Acosta stated that the seventh reposition [septima reposicion] was not discussed again, and that the meeting of governors has been indefinitely suspended.

He said that "due to the U.S. Government attitude, the general impression at the meeting of governors was that the United States is apparently trying to completely change the IDB's structure, and to designate U.S. officials as vice presidents and managers. The idea is to designate U.S. officials to the highest posts."

He added that "another impression was that Ortiz Mena himself could be replaced by another U.S. candidate."

Regarding the meeting, Romeo Acosta stated that "it ended almost unexpectedly, without even setting a date for the reconsideration of the seventh reposition" which consists basically in the contribution (bimonthly, annually, or every 2 years) the U.S. Administration makes to the IDB to finance loans and services of the bank. This is the seventh reposition, and it must be approved by the U.S. Senate. [passage omitted]

CNEA Note States 'No Danger of Contamination'

PY161451 Asuncion HOY in Spanish 16 Oct 87 p 11

[Text] Here is the text of the comunique signed by Professor Dr Jose Danilo Pecci, which was released at noon yesterday:

"As a result of the meeting held today, 15 October, in which the EFE Press Agency cable dated Rio de Janeiro, 14 October—which was published by the local media—was discussed, the National Commission for Atomic Energy [CNEA] reports the following to the public:

1. The CNEA points out that, so far, neither Brazilian officials nor the International Atomic Energy Authority have sent us any official communique or 'Immediate Notification' of nuclear accidents. The need for notification was established by the Vienna Convention signed on 1 October 1986.

2. We do not have data on the activities of the radioactive cesium-137. All we know is its weight, which was learned from the press.

3. In the face of a possible radioactive contamination, the CNEA has decided to adopt the appropriate measures to pacify the people: we will take environmental control and analyze samples of the Parana and Paraguay Rivers.

4. According to the press source, there has been no nuclear explosion, just the leaking of radioactive material which had been kept in some type of container. Therefore, the accident presents no danger of immediate contamination in our country," the communique concludes by saying.

PLRA Declares Abstention From 1988 Elections

PY191422 Asuncion HOY in Spanish 18 Oct 87 p 6

[Text] Speaking during a ceremony marking the anniversary of 18 October 1891 [an unsuccessful Liberal uprising against the government], Authentic Radical Liberal Party [PLRA] President Domingo Laino yesterday said "the PLRA declares it will not participate in the general elections called for February 1988, and that it proclaims total abstention. PLRA members and followers should not even bother to cast blank votes."

Laino added: "Even though the Constitution states that citizens must participate in an election, PLRA members will not act as clowns in this big electoral circus."

"The Paraguayan Constitution binds Paraguayan citizens to participate in free and clean elections, but not in the electoral fraud the corrupt Stroessnerist minority is about to commit for the eighth time in 33 long years, resorting to fraud and repression to continue its rule over the nation, to the disappointment of the Paraguayan people," Laino added. During the ceremony, several speakers addressed a crowd of approximately 6,000. The first speech was delivered by Christian Democratic Party President Jose Maria Bonin. He was followed by Carmen de Lara Castro, Argentine Senate adviser Hugo Alvarez Natale, Chilean Liberal Party member Hugo Zepeda, Liberal International Vice President Urs Schoeti, and Manuel Ramirez, Cesar Baez Samaniego, Francisco Ayala, and Dr Domingo Laino.

A folk music festival with musical groups of the so-called "new wave music" was held before the ceremony. Theater companies also performed popular plays. During the ceremony, the speakers and the people attending the ceremony at Plaza Italia frequently demanded the immediate release of PLRA leader Dr Hermes Saguier and Captain Napoleon Ortigoza, "who are being unjustly held by this corrupt and dictatorial regime."

Several people reported difficulties in reaching the site of the ceremony from rural areas.

Peru

Foreign Minister Views International Issues

PY150210 Santiago COSAS in Spanish 1 Oct 87 pp 34, 35

["Exclusive" interview with Foreign Minister Allan Wagner Tizon by COSAS correspondent Andre Jouffe in Lima—date not given]

[Excerpt] [Passage omitted] [Jouffe] How did you feel when you were informed that Reagan had lunch with the "contras" leadership immediately after the end of the Esquipulas meeting?

[Wagner] I think the Reagan administration is in the process of redefining its position regarding the Central American crisis in view of the Guatemala agreement. I think it is our duty, and all of us should commit ourselves, to effectively cooperate for the success of this agreement. Taking into account that this agreement includes a clause that specifically forbids the support of irregular forces in the region, we would expect the United States to support it, and to respect the expressed political will of the five Central American presidents to obtain a peaceful solution to the problem.

[Jouffe] Will the announcement made by Peru that it will negotiate the repayment of the foreign debt serve to open the doors of foreign banks?

[Wagner] The official position announced by President Garcia on 28 July 1985 to limit foreign debt payments to 10 percent of exports still stands. That will not change. What we are studying is whether Peru, within the established margins, and taking into account the needs for development, can be more flexible in handling its debt with some countries and international organizations. The information you have regarding the possibility of resuming normal relations with the World Bank is inscribed within this context.

[Jouffe] You lived in the United States as an adviser to the Peruvian Embassy and you know how Americans think. How do you think they will react to the nationalization of Peruvian banks?

[Wagner] This is an internal Peruvian issue concerning Peruvian sovereignty. We already know how Wall Street and Peruvian bankers who will be affected by the law feel. We, however, think that the intense national debate will make clear that the purpose of the government is to liberalize credits; a genuine and authentic measure.

There is no sense in applying a policy of state ownership to the larger part of the financial apparatus. In fact, the government policy on the issues is far from a policy of complete economic nationalization. This will be proven with facts, and the bill, however the national Congress approves it, will produce the effects intended by the president.

[Jouffe] Do countries with budding democracies—such as Peru, Argentina, and Uruguay—find that they receive positive support from the EEC, or is it all merely rhetoric?

[Wagner] I will give my answer in two parts. First, the level of bilateral relations between Peru and EEC countries has not only been very active, but it has substantially increased, as with Italy. I use Italy as an example without diminishing the merits of cooperation with other EEC countries. Second, I think we are entering into a new stage of understanding between Latin America and Europe. You must be aware that Spain and other EEC countries are sponsoring the implementation of a new kind of relationship with Latin America. During the UN General Assembly meeting, the eight country members of the Contadora and Contadora Support Groups, including Peru, held a meeting in New York with EEC foreign ministers to exchange opinions, in an informal and unofficial way, on the new type of relationship the EEC, as a unit, has with our continent. The relationship between the two groups has not been very good so far, but we think dialogue will lead us to discover the points of convergence between the EEC and Latin America. Starting from these points, we might be able to create a more democratic process of decisionmaking when we discuss topics related to peace, security, and international development.

Commentator on Violence in Takeover of Banks

PA170330 Lima Panamericana Television Network in Spanish 1200 GMT 16 Oct 87

["Paper Window" commentary by Ruis Rey de Castro]

[Excerpt] How odd! The democratization of credit came from above; that is, from the rooftop. It trampled on buildings just as easily as it trampled on the Constitution. It has broken down doors just as carelessly as one goes about breaking down the de jure state and legal order. Moreover, it arrived with tear gas; with those well-known canisters that spew out irritating fumes and that policemen kick in the streets, almost as a symbol that the government is playing kick the can. [pateando latas]

Yesterday, I made a mistake. I presumed that Interior Minister Abel Salina's very disciplined, peace loving, and democratic storm troopers would perform their dance of the armored vehicles and the tear gas for the Banco Mercantil, where Mr Francisco Parra Meson keeps a watchful eye. However, this was not the case. There was no peaceful storming of banks; no moderate trampling on properties; no poetic climbing of walls or rooftops at the Banco Mercantil. However, what did happen was that the bank's personnel were given 15-day paid vacations.

I do not know if this decision was made in order to make things easier for the police or for a government takeover of the bank. However, I feel that this action is a mistake and an injustice. It would cause great harm to the innocent account holders and depositors who are not guilty of anything and whose money has been frozen in a bank that is deserted or inhabited only by ghosts.

At any rate, the Banco Mercantil's banking license has greatly irked the government. Its spokesman, Minister Abel Salinas, gave another of his usual speeches last night to talk about violations, break-ins, challenges, and disruptions of the legal order. But of course, all of us have forgotten the storming of the banks and a financial company the day before yesterday. The violence caused by armored vehicles is good but only when the executive branch utilizes them against rulings issued by the judicial branch. Peaceful and unarmed resistence to defend one's legitimate properties, which have not been taken over or bought, constitutes an act of provocation. It is dreadful. It is a challenge. This is so when the owner of the property resorts to it. So, I had high regard for Abel Salinas for 2 years. As interior minister he has been striving greatly to end terrorism and drug trafficking. He has performed his duties with full responsibility. Sadly, Salinas has been forced to spend his time justifying storming operations and giving us speeches, in which he surely does not believe. I must admit that as spokesman for [word indistinct], I cannot respect him as before. [passage omitted]

Government Begins Expropriation Process

PA200032 Lima Domestic Service in Spanish 1730 GMT 19 Oct 87

[Text] The government has decided to begin the judicial process to expropriate the capital stock of Banco de Credito del Peru, Financiera de Credito, and Banco Wiese Ltd. Supreme resolutions published in the newspaper *El Peruano* authorize public prosecutor (Mario Federico Cabanero Passilic) to initiate and carry out in full the process of expropriation in the case of the Banco de Credito.